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HOW CAN A 'CLIENT-CENTRIC VALUES'  
APPROACH TO SELLING  
LEAD TO THE 'CO-CREATION' OF A NEW  
GLOBAL SELLING MINDSET?

A Project submitted to Middlesex University  
in partial fulfilment (260 Credits) of the  
requirements for the degree of  
Doctor of Professional Studies

PHILIP SQUIRE

Student Number: 2437626

March 2009

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## **ABSTRACT**

This dissertation explores the extent to which a values-based approach to developing relationships between sales people and their customers enhances sales performance.

Traditional approaches to selling have outlived their usefulness – whilst they purport to be based on models that are customer-centric, they are based on perspectives of sellers and are not, therefore, aligned to the needs of customers.

Empirical Research with 83 customers and key account managers provides the basis for an emerging values construct based on four differentiating values for outstanding sales performance and four negative values that produce poor performance.

Action Research Living Theory is used to develop and validate the emergent values constructs on 'live' sales opportunities. The relational issues of Key Account Management and Selling Global and Complex are discussed within the context of the proposed values construct.

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## CHAPTER 1: INTRODUCTION

*'If you want my honest opinion about the average sales guy from any of the vendors, I would say that 90% of them are a complete waste of time. In fact, I would even say 95% are a complete waste of time.'* (Bob Frosell, Ex-Chief Information Officer of IMS Health and Burger King.) I interviewed Bob in 2002. His comments, and others, about sales performance can be viewed on 'Video 1 – % of Sales People Who Meet Expectations'.

For years, I have been working in the business of sales training and development and am becoming increasingly concerned that, to a large extent, my company's practices of teaching (and I suspect those of many of our competitors) are not preparing sales people adequately for the challenges they face in selling in today's marketing environment. I believe that customers are now more sophisticated in their buying practices. They are very aware of what I shall refer to as traditional practices of selling. They do not like being manipulated into the sale or pressured in any way. Customers are far more knowing and seek more collaborative relationships with their suppliers.

This dissertation questions some of the fundamentals of what we 'do' in sales and 'teach' in sales training. I have questioned 'Is what I am doing in training and development creating maximum value for my customers?' (By doing so, I reflect on 'What have I done in the past for my clients to maximise client value?') New theories emerge from my research that I am able to validate through my personal sales practice and through my capacity as acting as coach to our clients. I compare these theories with research in the area of sales training and key account management. I question what impact this research might have on sales practice, and propose areas that warrant further research.

Thomas Kuhn, in his book *'The Structure of Scientific Revolutions'* (1996, p.23), talks about 'major turning points' in scientific history associated with Copernicus, Newton, LaVoisier and Einstein and said that 'each necessitated the community's rejection of one-time honoured scientific theory in favour of another incompatible with it.' He also goes on to explain the concept of 'normal science'. Normal science, he says, 'means research firmly based upon one or more past scientific achievements.'

Reading further in Kuhn's book, he says that 'paradigms gain their status because they are more successful than their competitors in solving a few problems that the group of practitioners has come to recognise as acute.' According to my research, too few sales people meet expectations

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of customers, which implies there is an acute problem in the way that sales people sell to customers. Perhaps we, the profession of sales training consultants, should question our effectiveness. Perhaps the techniques and methods taught simply do not work, or are too difficult to evaluate in terms of Return on Investment (ROI).

The findings of my enquiry process will help to inform those in my industry: either it will confirm that what we are doing requires no paradigm change, or perhaps it will help us all to realign our approach to the training and development of sales people. This, in turn, will benefit the customer and, therefore, benefit the sales training industry.

Whilst the topic of my dissertation relates to the values customers seek of sales people, I have, as a consequence, been made to question my personal values, not only as they relate to the way I interact with my customers, but also how I choose to live my life. Through developing a deep insight into how my values have been shaped and created through pivotal moments in my life, I have become better informed to understand the complexities of balancing my values with those required of me by my customers and the organisations with which my customers work.

My dissertation is structured into three Parts:

- Part 1 describes the context and focus for my research and explains the research methods I have chosen to use.
- Part 2 describes my findings and shows how new cycles of reflection have enabled me to reflect on aspects of sales effectiveness from different perspectives.
- Part 3 outlines my conclusions and where I believe this enquiry will take me into the future.

Each Part comprises different Chapters designed to allow the reader to follow a logical path.

It is important to explain the style in which I have written this dissertation.

Whilst I hope this dissertation meets the academic standards required for a DPROF accreditation, I have also been mindful of writing it in a style that could be read and understood by those in my profession. These include sales people, sales management, and sales training professionals, which are the communities that will ultimately benefit from my research. The use of story telling, case studies and mixed media, i.e. videos, will, I hope, make the dissertation compelling to 'take part in' for both the academic and sales professional communities.

## **PART 1: THE CONTEXT**

## CHAPTER 2: SETTING THE CONTEXT AND FOCUS OF MY DISSERTATION

A significant proportion of my research has been with international customers. With my colleagues, I have conducted interviews in Mexico, USA, UK, Russia, Norway, Denmark, Germany, France, Spain, Italy, United Arab Emirates, Thailand, Singapore and Malaysia. I have also had the chance to work with my customers' sales teams that are responsible for selling global 'solutions' to global companies, and where I have been able to test and validate research findings with co-professionals. In addition, for much of my career I have sold and delivered international sales training projects; thus, I am also at the centre of my enquiry.

So, how did I get to here? What influences have happened throughout my life that have led me to where I am today from both a career perspective and personal values perspective?

### **2.1 *Formative Years***

Up to the age of 19, I had no home in a bricks and mortar sense. Home was wherever my parents happened to be living. We did not actually own a home but lived in rented accommodation with furniture, crockery and linen supplied by the company for which my father worked. We owned few material possessions as my father reasoned that there was no point having to transport clutter around the world. Home was often in remote places or in developing countries.

Sometimes these countries were peaceful, sometimes not. I was born on Ascension Island – I was the 45<sup>th</sup> baby to be born on this Island. This island is in the middle of the Atlantic Ocean and below the Equator, for those who want to find it. Ninety people lived on the island at the time. After three years, we moved to Malta and then every two or three years we moved to Yemen, Sierra Leone, Bahrain, Trinidad and Tobago, and Qatar. At the age of 9, I was schooled in the UK at a boarding school and would travel to see my parents for the holidays. I experienced living in the tropics, in desert landscapes, and in the UK. I also experienced considerable danger with communist revolutions in Yemen, the anti-white movement in Trinidad (where we had armed guards from time to time), and political coups in Sierra Leone (where my father was jailed by a corrupt president at one point). I saw deprivation, homelessness, poverty, privilege (the clubs, servants), illness, contrasting principles, different cultures and different languages. My formative years were a rich canvas of contrasting and colourful experiences. At the time, this seemed normal and I did not consider it as particularly different from other children's 'normal'. Now, 30 years or so later, I reflect on those formative years, and consider what impact my living environment has had on how I see the world today, and how they explain the person I am today.



Through having first-hand experience of living in different geographic and cultural environments, I have gained a respect and interest in cultural 'difference'. This has led me to look for opportunities to develop my career in international sales and development. I recall having just finished my 'A' levels and living with my parents in Qatar, and was undecided about what to do next. Unlike me, most of my school friends had decided to go to university, but I had no idea what I wanted to do. I came to the conclusion that all I wanted to do was to travel the world. It did not matter what career I had, just that it enabled me to live abroad. I was successful in applying for a job at the Hong Kong and Shanghai Banking Group and entered their foreign staff management programme. I was destined for a career abroad. I saw my world as being international. I loved the contrast of different cultures, the excitement of living in new countries, and sense of freeing the spirit and timelessness that comes with travel.

However, my career with the Bank did not last long. I was to fight a battle in my mind between sacrifices one is required to make living an international corporate life, and independence.

Most of my life at boarding school was rewarding and provided a great variety of extra-curricula opportunities to develop. I loved the many sports I could take part in; I learnt to play tennis, fives, rugby, cricket, football and swimming. I represented my school at the highest of levels. I also produced plays and tried my hand at learning the clarinet. Boarding School provided a great theatre in which I could develop myself at many different levels, and I enjoyed the independence that living away from home provided.

Living away from my parents was, in the main, fine and meant that I learnt to cope with success and failure on my own. A pivotal early learning moment was having an essay torn into small pieces in front of my classmates and being told I was 'taking the piss'. Feeling hugely hurt then, but with the realisation that the master was right, I resolved never to let that happen again. Indeed, it did not, and I went on to take English at 'A' level where I got a Grade 1 distinction in the 'S' level. I learnt that out of failure comes success. Not having parents around, I learnt to be independent. Travelling alone, even from the age of 9, was not a problem. I assumed that someone would be around to help out if I missed a connection. I had an inherent belief, perhaps naively, that nothing bad would happen. I can never recall being anxious or worried about travel because the excitement of seeing my parents carried me through. Whilst the early years of boarding school were fine, my last two years were more disappointing. I began to resent the rules and conditions that boarding school imposed. I rebelled against the system. I felt closed in. During this time, I developed a keen sense of the desire to have choice in life. I wanted to be able to choose what I did, and began to take an interest in entrepreneurs and business people, thinking that when I left school, I wanted to be my own boss and wanted my own independence. I wanted financial success that would enable me to have choice in my life.

So, my job at HSBC offered part of what I wanted – the chance to live abroad and the excitement that that brought, but not the independence. As part of the management development trainee team, I was seconded to the Deputy Chairman of the Bank to do as he wished. Every second Monday of the month, I would wait outside his office door. When allowed to enter, he would always be standing with his back to the office door, looking down from the seventh floor to Bishopsgate Street, listening to classical music. When the music stopped, he would give me his instructions. These are some examples: I had to buy some plastic strip for a friend's croquet lawn, a concave mirror, and seeds for a friend's garden. I could not see the relevance of these 'jobs' and felt like his personal slave. A friend called me just after receiving one of these instructions and, as I was very angry at the time, I decided to skive off work and meet her that afternoon – we went for tea at the Ritz Hotel. Later that afternoon, I handed in my notice. I felt that HSBC was an extension of boarding school. I resented its formality and hierarchy, and rules and timelessness. I had a real longing to make things happen more quickly, and I realised that I wanted a more entrepreneurial life where I would succeed or fail by my own actions. So, in the battle of 'independence' over 'living abroad', I realised I was not prepared to sacrifice independence. I realised I wanted a career where my personal performance was directly related to my financial success.

## ***2.2 Sales Career***

At the same time as working for the bank, I took a part-time job selling insurance products. This offered unprecedented wealth and independence. The contrast between the bank and the insurance broker was huge. During the day, I worked in this rather staid banking environment. In the evening, I was at offices of this fast-growing and dynamic broker, full of young people like me wanting to make their fortunes. It was not difficult to make the move and join the broker full time. I worked with an inspirational man who gave me not only the opportunity but also the belief that I could be successful in forging a career in selling financial services. It was incredibly hard work and, over time, I worked from sales into management, building a team of sales people and running large recruitment exercises to find other hopeful entrepreneurs to work with us. Looking back on this career, I can see that I learnt the importance of resilience and about a very structured method of selling and management. I also lived the experience of living with no regular salary – some weeks I would earn a lot and other weeks I would earn nothing. I began to realise my limitations and that being successful would require hard work. I worked in this environment for four years but, as time went on, I began to doubt the product I was selling. I realised that the way we made money was not due to the brilliance of the products, but to our effectiveness in recruiting. New hopefuls would join the company, sell one or two products, mostly to family, and then they would leave. I learnt that I had really to believe in what I was doing in order to feel comfortable about selling. Once this belief was lost, I could not continue. I was very grateful for the chance I had with the company and learnt so much in a short space of

time about selling, and about my strengths and weaknesses. Looking back on this experience, I can see that ethics emerged as an important value. Independence was important, but not at any cost, and ethics and integrity became a predominant driver at this stage in my life.

After leaving the broker, I joined an international firm of sales and marketing training consultants. I was recruited to sell and deliver sales training programmes to small and large companies predominately UK-based. It was here that I learnt a more sophisticated form of selling. I was trained in how to make appointments on the telephone with senior level executives; how to create a good first impression; how to ask questions in a structured way to define needs; how to deal with objections and close the sale. I was offered a commission scheme, given a telephone book, and targeted to sell training solutions. I was very excited with this role as it appealed to my belief in meritocracy, i.e. my earnings were based on my personal sales success. I had the relative freedom to call on any company I felt would benefit from our services. I also believed in the products and services I sold. This came across in my approach and, after a couple of years learning the business, I found myself working with some quite large companies, acting not only as a training advisor, but also as a consultant and trainer. I had now found the profession in which I wanted to be. I really liked the idea of developing myself and developing others through training. However, now the age of 24, I felt that, whilst this job was great, I was missing the chance to work abroad and have the independence of working for myself. Indeed, the decision came to a head when I sold a very large contract to an Electricity Board. This account was taken from me as the management team felt I was too young to handle it. This was the point I decided that I did not want to have to report to anyone else. I really liked the business I was in and decided, with a colleague, to form a new training and consulting company where I could fulfil my ambition to work internationally and be my own boss. So, by 1981, I had found the vehicle that could allow me to realise my desire to be independent, work abroad, and do something I believed in.

Thus, I have been involved in selling sales and management training and consulting services internationally since 1987. I have been seeking to develop international business from a UK-based consulting company – essentially, we were exporting our training programmes internationally, sometimes these were delivered by a network of partners we created over the years through a brand called ITC, and sometimes these programmes involved us delivering courses ourselves in different countries. I found myself working quite extensively in the Middle Eastern countries and I remember having this sense of returning home when I first got off the plane in the Middle East to do my first assignment. Having previously lived in these countries, it helped me to establish an easy rapport with Arabs from this part of the world. Experience of selling to people from different cultures, therefore, has now been part of my life for 22 years or so. As our clients have become more global in their approach, so, too, have I. I have also questioned how I can develop my own effectiveness in securing and developing global accounts.

This enquiry resulted in my deciding to do a DPROF, a journey that started in 2004. The learning from my dissertation has already had a significant impact on both the type of organisation we have become, as well as our approach to training and developing sales people. It may be helpful at this stage to describe the type of organisation we have become.

### **2.3 Consalia**

From 2000 to 2004 or so, it became evident that, in order to develop global organisational trust, we had to move from being a UK-centric company towards being a fully-fledged global services business. Global companies want to work with global services companies. I decided that it was time to re-think my business model with regards to how we should address the international markets and approached some of the partners with whom I had worked over the years. As a result, we created a new company as a joint venture. Whilst Consalia is a UK-registered company, its shareholders are Italian, Spanish, and UK companies. Consalia specialises in providing sales and management training and consultancy services to an account base that is both local and international. Consalia is unique in this industry in the sense that its shareholders are from different geographic and culturally disparate regions. Since the company was established in 2006, we have expanded by opening an office in Singapore.

As CEO of Consalia, I am responsible for assessing trends in our market and adapting or reinventing ourselves in order to move to where we believe we can deliver more value to our customers. It was at this time, that I embarked on the final stage of my DPROF dissertation, where I have been made to question the very essence of what we do.

In order to understand trends, it is important to reflect on the epistemology of my profession. Therefore, I describe how I view current sales methodology and process. This is helpful in positioning my research that questions whether a new approach based on a 'CLIENT-CENTRIC VALUES' APPROACH TO SELLING CAN LEAD TO THE 'CO-CREATION' OF A NEW GLOBAL SELLING MINDSET.

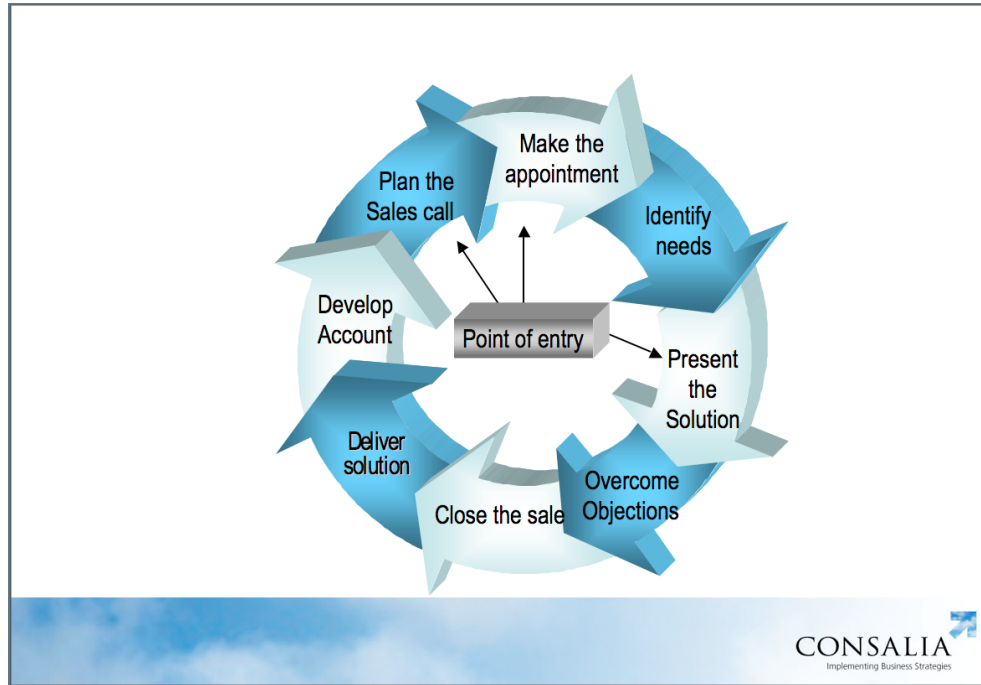
## CHAPTER 3: MY EPISTEMOLOGY OF SELLING

Selling is reported to be one of the oldest professions; however, it was Dale Carnegie who wrote *'How to Win Friends and Influence People'* (1936) and Heinz Goldman, *'How To Win Customers'* (1958), who helped to articulate the art and science of selling. Both suggested techniques and approaches that would lead to increased sales success. I worked for Mercuri Institute, whose founder was Heinz Goldman, and I was trained to follow his practices and techniques of selling. As an example, one of the sales processes we were taught to use is referred to as DIPADA.

**D** is to **Define** a customer's needs, **I** is to **Identify** those needs with products being sold, **P** is to **Prove** the product works, **A** is to get **Agreement** that the product meets the requirements, **D** is the **Desire** to find out how the product can work for you, and **A** is the **Action** to take.

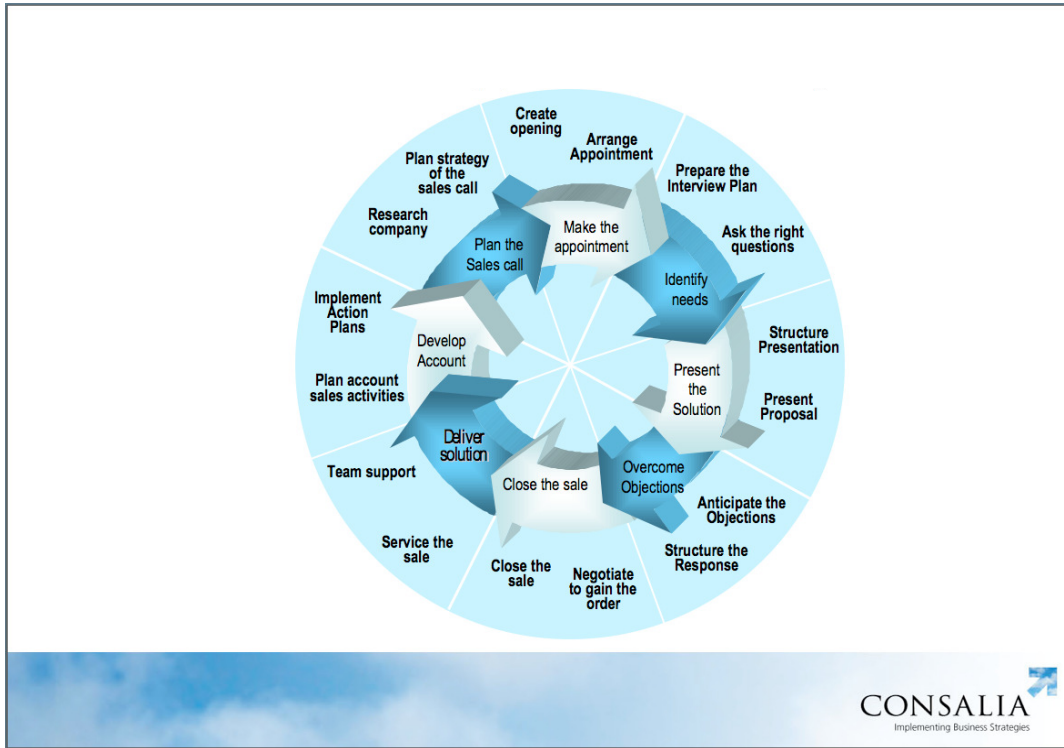
Each of these stages is supported by techniques (for example, the use of Open Neutral, Open Leading, and Closed Questions) used to 'define' a customer's needs. Goldman's main contribution to the theory of selling was to suggest selling as a process. Other techniques, such as AIDA (Attention, Interest, Demonstrate, Action) attempt to achieve the same goal, that is to increase a sales person's effectiveness by following a structure, and by being supported by techniques to enable them to sell more.

For many years, the sales process has been described as a cycle and the diagram in Figure 3.1 outlines Consalia's view of the different stages of the sales cycle. I will show later in the Literature Review that Consalia's view is broadly in line with other sales training practitioners. Each stage is linked to the next. The sales cycle would typically start with 'planning the sales call', then 'making the appointment', and so on, with the successful completion of each stage increasing the chances of winning the sale. For example, if you are good at planning, but not so expert in needs analysis, you will not maximise sales opportunities, and vice versa.



**Figure 3.1: Sales Cycle**

The diagram in Figure 3.2 describes in more detail the specific sales activities needed to win the contract. This identifies, in more detail, what is required for each part of the sales cycle. However, the sales process does not always happen sequentially. For example, it is possible that a customer, in diagnosing a need, invites a vendor to 'present their proposal' based on a detailed 'Request For Proposal' document. This is the reason that the Point of Entry, as shown in Figure 3.2, can be at different stages of the sales cycle.

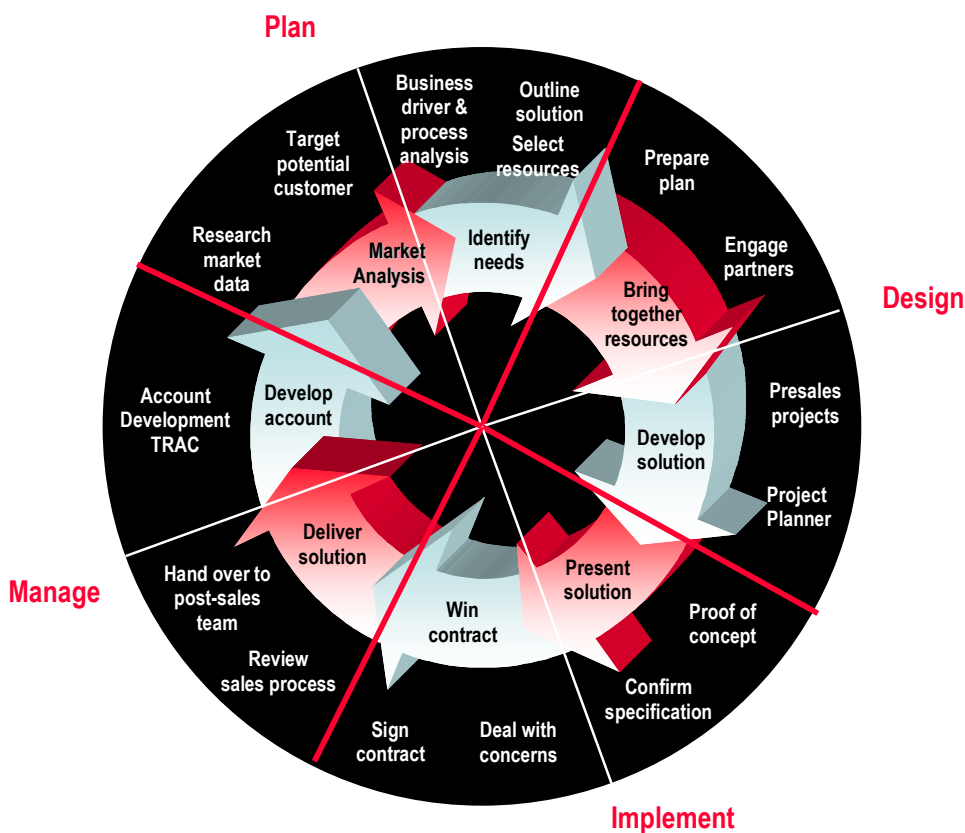


**Figure 3.2: Sales Activities to Support the Sales Cycle**

Traditionally, competencies are developed to support the activities of each aspect of selling. Techniques of appointment-making, qualifying the customer, writing proposals, making effective presentations, negotiating effectively, closing the sale, and account development are all used to improve sales effectiveness. Tools and Process are developed to help sales people through each stage of the cycle. For example, in the Planning of the Sales Call stage of the cycle, web-based research tools, such as OneSource, are available to help sales people research the latest analyst reports. Customer Relationship Management (CRM) solutions enable a sales person to review the history of products and services sold to customers, to assess competitor activity in the account in order to develop sales strategy, and standard templates are created to help with appointment letters, presentations and proposals.

For Global Account Selling, the Sales Cycle is more complex. Figure 3.3 describes the sales cycle and associated activities in more detail. An extra stage is included called 'Bring together resources'. The reason for this 'stage' is that, when selling global and/or complex solutions, a sales person is responsible for bringing together different parties from within their company and sometimes with different external parties. This adds a different layer of complexity and challenge to the sales process and requires the sales person to have strong leadership and project management skills. The words 'Plan', 'Design', 'Implement' and 'Manage' are project management terminology. Selling complex solutions to national and international accounts can be likened to project management. Take our experience with Hewlett Packard (HP) as an

example. HP has a centralised sales training curriculum that requires us to sell our solutions to them at a global level in the USA, as well as to HP's regional and national organisations. Different regions have different content requirements and require training in different languages. Working with international clients requires us to work with both our shareholders and our external partners. Thus, it is easy to understand the complexities and expense of working with large global accounts.



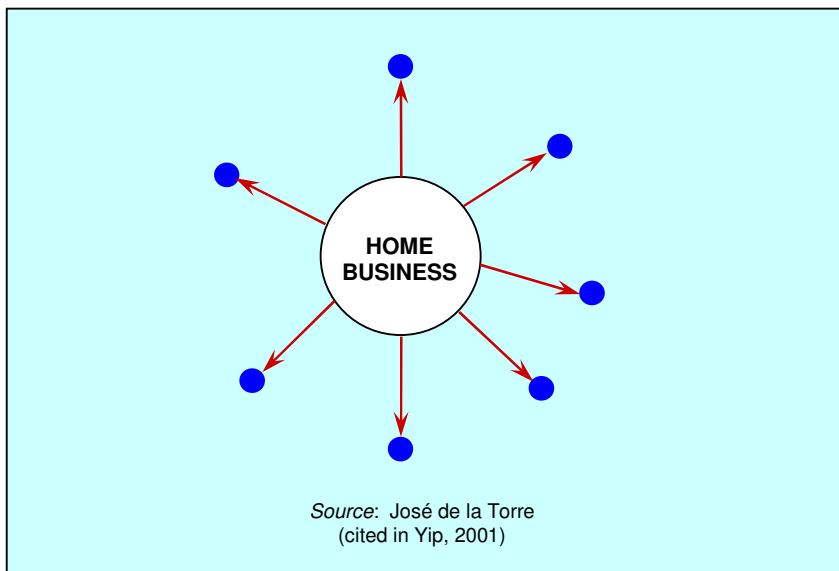
**Figure 3.3: Selling to Global Accounts**

However, the complexity of selling to Global Accounts is seen when considering different types of global infrastructure. José de la Torre (UCLA), as cited by Yip (2001), describes four types of global infrastructures.



## 1. Internationalist

The Internationalist is a company that essentially exports its products or services globally.

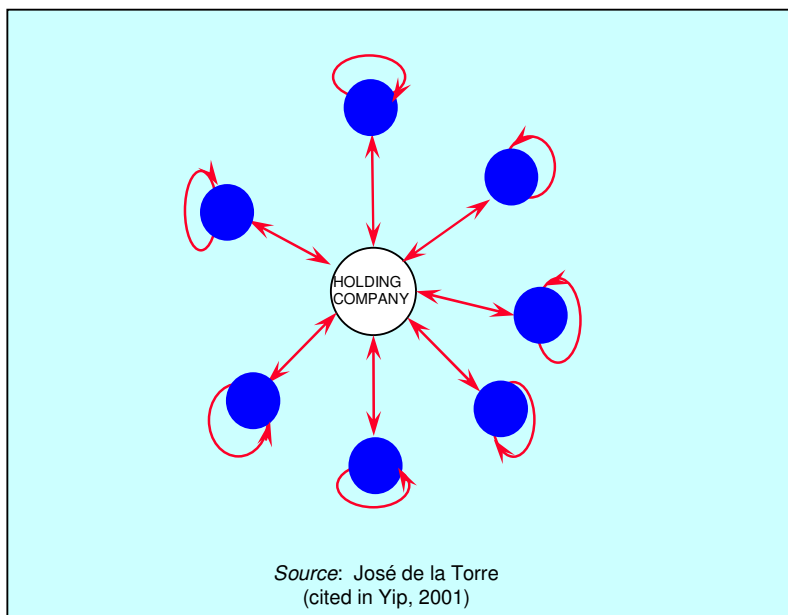


**Figure 3.4: Internationalist Company**

An example of an Internationalist but Global Business is Stilton Cheese. The Cheese is manufactured in Stilton but exported and sold worldwide. It is an international brand. Manufacturing, Sales and Marketing decisions are made centrally and 'exported' to its worldwide infrastructure. I have not had much experience of selling to Internationalist companies because often these companies have a sales infrastructure that can not be influenced.

## 2. The Federalist

A Federalist company may have its controlling parent based in one country, but it has deliberately created a legal and manufacturing infrastructure, which means its local subsidiaries have far more control over all aspects of running its business. Renault is a good example. Whilst strategic decisions are made at head office, the local subsidiaries have much autonomy to implement the strategy as they see fit. Budgets are held locally and local board directors are responsible for setting budgets and implementing local strategies to meet global targets.

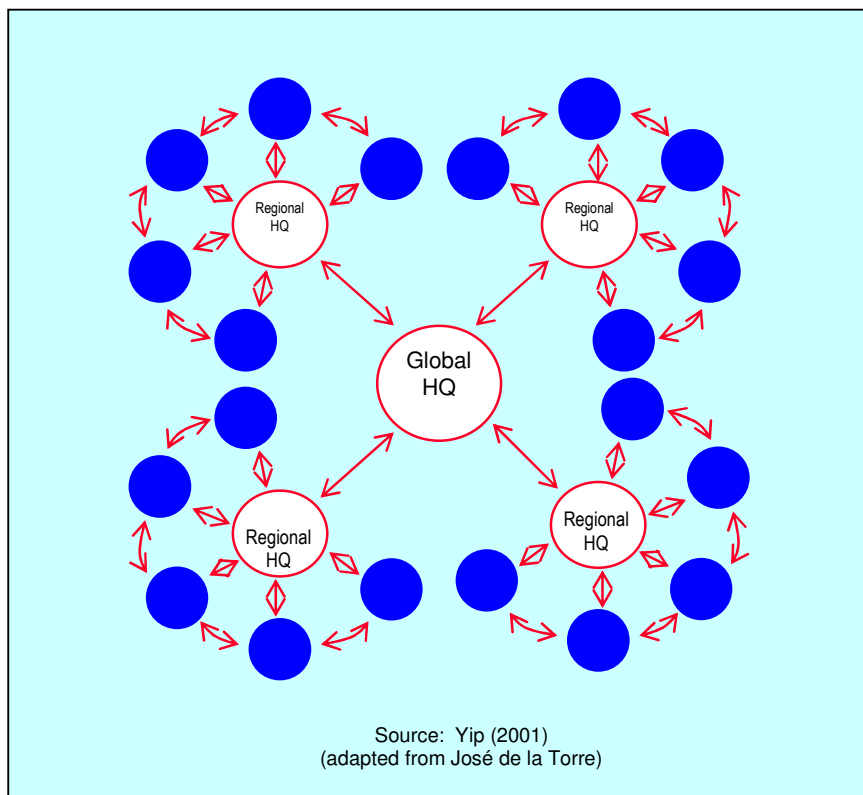


**Figure 3.5: Federalist Company**

Experience of selling global training projects to Federalist companies is very difficult as local companies have local relationships with training vendors they can use. Again, Renault is a good example: our French partner has sold a project to design and deliver training to 24 different countries; however, outside France only our Polish partner has been successful in selling their local services. In spite of all the support from Renault's head office in France, Renault's subsidiaries used alternative resources. Subsidiaries of global companies fiercely protect their local independence.

### **3. Regional Maximiser**

This type of global company organises its global operations into regions. These regions have a Regional Managing Director who owns the region's profit and loss account and is responsible for setting regional budgets. Reporting into the Region are the country managers. Whilst the country managers have their own operational budgets, the Regional Manager exercises a lot of influence and control as to what happens at country level.

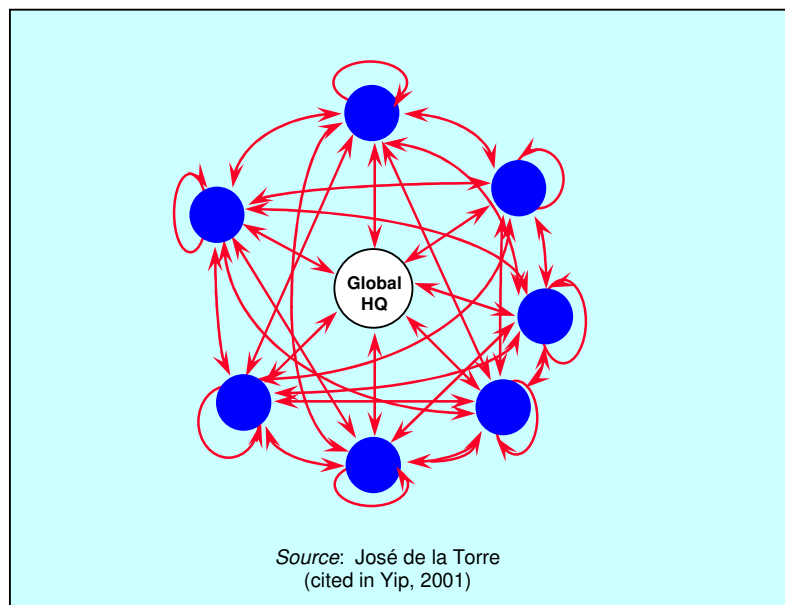


**Figure 3.6: Regional Maximiser Company**

Tetra Pak is organised in this way and has 11 Global Regions. Selling global solutions to Regional Maximisers is easier as there are fewer decision-makers and they can exercise more control.

#### **4. Global Maximiser**

Finally, there are Global Maximisers. These companies make decisions centrally and are organised such that reporting lines are truly global. They are often organised such that manufacturing, for example, may decide to have components manufactured in different countries but be assembled in others. Friedman (2006), in his book *'The World is Flat'*, writes about globalisation and how processes and manufacturing are now being integrated on a global basis.



**Figure 3.7: Global Maximiser Company**

Hewlett Packard is a good example of a company that has moved to be a Global Maximiser. In 2005, it decided to reduce the hundreds of different sales training providers it had to six preferred suppliers. Once this decision was taken centrally, these suppliers had a global contract to deliver their services worldwide. Once the hard work required to sell a global contract has happened comes the hard work to deliver. If I take a moment to revert to the Sales Cycle for Global Accounts (as shown in Figure 3.3), one can understand how difficult it is to leverage resources globally both to sell and then service global solutions (Cheverton, 2006, Wilson et al, 2002, Yip & Bink, 2007).

My experience of working with global accounts has been considerable. Our global accounts include Hewlett Packard, Abbey (as part of Grupo Santander), Zurich Financial Services, PIC (the name I have given to a global, professional services company in this dissertation to respect confidentiality), Renault Cars, Wipro (the Indian Conglomerate), and De Lage Landen (Asia Pacific). In addition, we have been working with our clients in facilitating live deal workshops to help our global accounts sell to their global customers. Thus, I have both direct experience, i.e. our own international accounts, and indirect experience, i.e. our customers' international accounts, that I draw upon for my dissertation.

### ***3.1 2002 – The spark that ignited my enquiry***

In 2002, I conducted an interview with the Chief Information Officer (CIO) of IMS Health, a large, global, pharmaceutical company. The subject of the interview was 'How do you want to be sold to?' The interview was videoed and structured around three topics – I wanted to understand the challenges a CIO faced when operating within a global company; given these challenges, what qualities they looked for in a sales person; and finally, what expectations they had of sales people. I asked him to provide me with examples of what sales people did that he liked and disliked. It was a productive interview but, like many interviews that are conducted under the video camera, it is when the interview is over that the interviewee relaxes and opens up. Clearly, he felt strongly about what he was saying, so I asked him, almost as he was leaving my office, 'What percentage of sales people met his expectations?' To which he answered, '90% of sales people are, in my view, a complete waste of time.' I decided to continue this line of questioning with the next two interviewees, the first of which was with the Chief Technology Officer of one of world's largest mobile phone operators. After his interview, he said that, in his view, only 10% of sales people 'get it'. Two out of these three initial interviewees were very critical of the performance of sales people.

So striking were these comments, that I started an enquiry process to find out the extent to which sales people were failing in their attempts to make the right impression and the reasons for this.

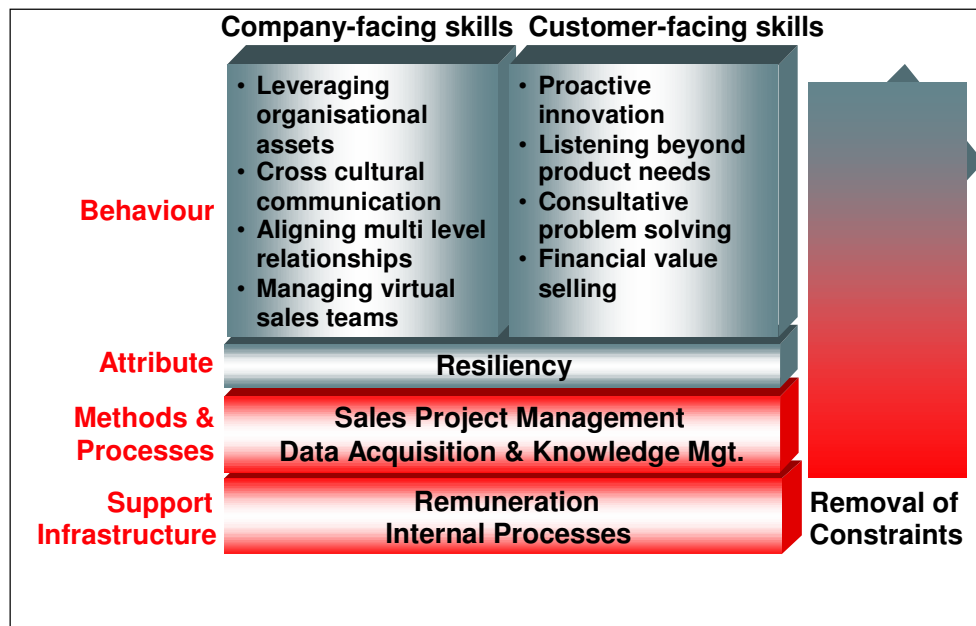
### ***3.2 Emergence of a burning platform***

By the end of 2003, I had interviewed a further 10 of our customers. Of these, eight said either that they had a low opinion of sales people, or that less than 10% of sales people met their expectations. Whilst this sample was still small, those I had interviewed were senior level executives from a range of different industries, including banks, telecoms, retail, and pharmaceutical. Between them, these executives had significant experience in dealing with sales people. The pattern of feedback was consistent with the first three interviews conducted. I had not only established that most sales people were underperforming, but I had data that helped to identify what customers were looking for from sales people.

### ***3.3 2004 – Emergence of a Competency Framework***

In 2004, I invited a number of global account selling executives and global customer decision-makers to a workshop in London in order to share these findings and to take the dialogue to another level. For this, I enlisted the help of Professor George Yip, then based at the London Business School and an authority on global marketing strategies, who had also conducted some interesting research in the trends towards global account management. What started as a list of

emerging competencies developed, with the help of participants at a Forum I organised with Yip, by being categorised into 'company-facing' competencies or 'customer-facing' competencies, as shown in Figure 3.8. To these, I added 'resiliency', 'constraints' and 'processes' as these were issues raised by the participants as having an affect on the ability of global account managers to manage global accounts effectively. Resiliency, global account managers argued, was important, as the biggest challenge they face is trying to energise their company and its resources to bring value to their global customers. They considered they spend more time trying to sell internally than selling to their customers. This is a source of great frustration and, hence, resiliency is required. Sales Methods and Processes also affect sales productivity for selling to global accounts. Here, we refer to project management processes, proposal writing templates, risk analysis processes, and sales support tools. In addition, the types of remuneration and targeting processes have a significant influence on how they spend their time. Global account managers who are paid to deliver results in the short-term, i.e. 3 months or so, will not have a strategic long-term mindset in terms of how they think about addressing their customers' strategic needs. Later, in my Conclusions, I reflect more on how a company's processes and remuneration policy can conflict with values.



**Figure 3.8: Attributes Required for Global/Complex Selling Effectiveness, Version 1**

At this point in time, I had not felt that anything was missing; our conclusions seemed to encapsulate the competencies required to be effective at selling large global and/or complex solutions. The reason, I surmised, as to why so many sales people were 'getting it wrong' was because they did not have the requisite competencies. On reflection, something seemed not quite right with these findings but I did not know, at this stage, what it was.

### ***3.4 The platform is still burning***

During 2005, I conducted a further 18 interviews on behalf of clients who were very interested in the research findings. As before, my interviews were with seasoned executives who represented different functions and industries and who were in different locations around the world. Again, many customers continued to express low opinions of sales people. As a result, I began to feel very uncomfortable about suggesting to customers that the way to obtain exceptional performance from the sales force was to spend more money on competency-based training programmes. The evidence of my enquiry suggested that the training programmes traditionally put in place for sales people simply did not work and produced a rather dismal return. I began to question deeply the practices of my profession both in terms of sales methods and approaches, and training.

### ***3.5 Questioning the Competency Frame work***

I had a nagging question that, somewhere, I had missed some important clues as to the reasons for poor sales performance. The competencies listed in Figure 3.8 are not rocket science. Sales training consulting companies, like mine, had, for years, developed programmes on leadership, listening, financial value selling, and running virtual sales teams. Companies had also invested in complex customer relationship management systems with a view to improving their sales process. Remuneration systems were there to incentivise good sales performance. Why, then, were sales people still held in such low esteem by customers?

In 2006, there was enough evidence to suggest that there was 'a burning platform'; that addressing the problem with a competency mindset had not worked, and nor had investments made by companies in other sales performance enablers, such as CRM.

I began to question my deeply-held assumption that performance was linked to competency. I attended a presentation by Jean McNiff in August 2006. She started the presentation by saying that 'to get a clear idea of what action research is, is to be clear about your "values".' This prompted a deep enquiry into my own values, and enabled me to reflect on all the interview transcripts through a different lens. Rather than looking at customer interviews with a competency-based mindset, I should explore the interview transcripts with a values-based mindset. My logic was as follows: customers are critical of many of the behaviours they see in sales people, and they also describe how they want sales people to sell to them. Behaviours of sales people are influenced by competencies as well as values. Having the right values would influence the right behaviours. For example, a sales person who truly held a value that was customer-focussed would be naturally inclined to listen carefully to what a customer was saying, would not manipulate the conversation, and would ask the right questions. Furthermore, I

sensed that, if the values were engrained, i.e. lived, competencies would evolve naturally. Could it be that companies had never seriously considered the role of values in the sales process? Could the disconnect be a values misalignment rather than a competency misalignment? To what extent were companies seeking to align their values framework with those of their customers?

Thus, began an enquiry to establish the importance of values in the sales process. Dependent on the results, could a new framework emerge that would enable practitioners to develop closer, deeper, and more profitable relationships with their key customers?

As I began my journey in considering the values that customers sought of sales people, I reflected on my own values. I found it difficult to articulate my values, as I had never before been asked to articulate what these were, and what evidence I might have to support them. The journey I have described so far has helped provide supporting evidence of lived values. However, how one responds to pivotal moments is also, arguably, an indicator of lived values. Instinctive reactions are indicators of lived values. Gladwell (2005), in his book '*Blink*', argues that our minds work instinctively as a result of acquired knowledge and experience. We know without thinking. Using the same logic, values developed over time come into play and unnoticeably influence how we act and behave. I have already shared the story of one such pivotal moment – that of my English master tearing up my essay – and how I reacted to this provides clarity as to what my values and belief systems are.

I now share a much more poignant and life-threatening moment and reflect on how values came into play as I recount how I felt and acted at the time and in the months that followed.

### ***3.6 Reflecting on My Values***

#### **The Tsunami, December 2004**

I provide a detailed account (see Annex 1 – Account of Tsunami December 26th 2004) of what happened to me and my family on 26th December 2004. This account was written two weeks after the tsunami and finished with a question: 'One thing is for sure, that all of us will have been changed as a result . . . but in what way, time will tell'. I find myself now considering my behaviour during and after the tsunami and reflect on the values that underpinned that behaviour.

My first instinct, when the wave hit the hotel, was to dive into the wave. In that split second, I considered my second daughter Laura, who was further up the tree, to be safe, and my wife, who was swept away, to be in considerable danger. I did not, for one moment, consider my personal safety, so I consider that my loyalty to my wife was stronger than my fear of being drowned.

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Having found my eldest daughter Emma by luck, my first instinct was to find my other children by returning to the last place I had seen them, and not look for my wife whom I thought at that point might well have drowned. I chose not to contemplate this possibility at the time, focusing instead on the struggle to get back to the hotel. I use the word 'struggle' because in order to reach the hotel we had to swim across a raging torrent of water in order to get to dry land. Thus, I observe persistence and courage that led us to return to the now demolished hotel where we were staying when the tsunami hit. There we found the children. The hotel remained a sanctuary for three or four hours. The enormity of the situation then struck me when I contemplated losing my wife. However, we had to deal with the fear of more waves that continued to hit the hotel and my focus was on calming the children. Others were busy getting onto the roof of the hotel. I remember feeling that we were OK on the first floor but as the children were very frightened it made sense for them to be high. I recall trying to be very calm and was happy for others to take a lead in suggesting what we did. This shows that I was collaborative and did not have an urge to take the lead role. Being calm in the face of adversity was more important than being a leader. I recall feeling totally desolate, contemplating my wife's death. I warned the children that we might not see her again but not to give up hope. We spent a lot of time comforting each other and helping my eldest daughter who was very hurt. I remember Andre, a fellow survivor, doing an incredible job in caring for her. I became concerned to find water and provisions, thinking we would be stuck at the hotel for a long time. After a long while, some people came to the hotel and encouraged us to leave. I remember looking for provisions to take – medicines, etc. I was one of the last to leave the hotel. My children admonished me for being so slow, partly because I was injured, but partly because I did not fear another wave would come. I wanted to show calm. My children though felt I was reckless in being slower than they were. All the time I felt a strange detachment – of floating above it all. All around was devastation. It did not seem real. Throughout these first hours, my wife was swept away to a different place, was bitten by a snake whilst climbing into a tree, then was helped to a safe point where, for three hours, was racked with grief believing she had lost all her family. Finding my wife was the most amazing experience and a defining moment, and in those first precious seconds of being reunited, showed the love we had as a family, and how very precious we were all to each other.

Managing to get airlifted from Ampara to Colombo that night was partly a stroke of good fortune, but enabled by striking up a friendship with a local Sri Lankan who happened to know the government 'head of the region' and to whom I was introduced. I managed to persuade him to get us onto the only plane leaving that night for Colombo. The values that were shown here were the ability to develop trust, courage in meeting the high-ranking official, and creativity in suggesting that there might be a way to get our family to Colombo. I will never forget the poor people in Ampara offering us clothes and apologising for what their country had done to us, their visitors. I felt very humbled by the experience and set about trying to help these people when I could.

Flying back to London, I remember feeling guilty that I was leaving people who required so much help, and resolved to do what I could. Later, in the weeks after we left Sri Lanka, I set up a charity and I was flown to join the Oprah Winfrey show to help her raise money for Arugam Bay where we had been staying. Her show, and the subsequent work we did to raise money, raised over \$1,000,000. These monies were used to rebuild houses, build new schools, and train new teachers. My children have also been involved in many ways in supporting these activities. I developed a heightened sense of caring for those less privileged. Values of nurturing, persistence and tenacity can be seen from the post-tsunami activities and achievements. I have developed an even keener sense of wanting to make the most of life. Time is precious and finite – it is what you do with time that has higher value and is more infinite.

Reflecting on pivotal moments helps to identify what is genuine and authentic about one's values. I have found it very helpful to re-evaluate my behaviours as a result of both the tsunami and other life experiences and, with some clarity, conclude that the following are my lived values.

**Persistence:** To a large extent, I see the relative successes in my life borne out of rejection or failure. I do not regard either of these as negative; more a source of strength from which I have always learnt. Throughout my school education, my persistence has been more noteworthy than the grades achieved. This is a typical end of term report! 'His hard efforts are being rewarded with some encouraging progress' (House Master, 1974); 'He tries hard' (German Teacher, 1973). Persistence is achievement through action. I will judge others by what they do more than by what they say. In that way, I hope others will judge me more for my actions, not my words.

**Collaboration:** I have always respected the intellect and abilities of others and proactively seek ways of engaging with them either socially or professionally. I am motivated to make connections with people whose skills can contribute and add value to the conversation of everyday life – as one of the people I interviewed succinctly said, 'The point of every conversation is that both parties feel as though they have gained.' I enjoy bringing together individuals or companies that have complementary skills and, by so doing, create something more than that could be achieved on my own. I value the synergy of collaboration particularly with those who share similar values.

**Perfection:** As in completeness – Tom Gorman was USA Davis Cup Team captain for 9 years and led the USA Davis Cup Team to victory in 1990 and 1992. He was at a management workshop I attended and his description of perfection describes the sense of its meaning to me. 'Perfection is not about doing something perfectly in order to "win" or achieve a goal but knowing that you could not have worked any harder in order to achieve that goal.' For me, to achieve perfection is an aspiration and one that is rarely achieved. It is my sense of incompleteness that drives me to aspire to completeness and is the source of motivation that drives me to action. I do

not want to die knowing that I could have done more with my life. It is good to know that in whatever endeavour I work, I fulfil this to the best of my ability. I recognise that I am more a generalist than a specialist, and this provides limitations as to in what I can achieve perfection. I hope that what I may lack in terms of personal expertise can be helped through collaboration with others.

**Space:** To stand in the middle of a desert is both inspirational and humbling – one senses 'out there' a great vastness of unencumbered potential and, at the same time, humility – you recognise that you are a very small micron within this great universe. I refer to space though as a value – it is having a mind that provides the space to explore ideas – one is not frightened by the unknown. Space is the place that allows thoughts to flow and opinions to be heard without the barriers of prejudice, opinion and rejection. Space is, therefore, a place for creativity; it is the place to think and develop ideas. Space is like the desert, unencumbered; it is not confined by rules and conventions. Space is having the freedom of choice and the freedom to choose. This doctorate has created the space for me to reflect on a career that otherwise has been so ubiquitous that it has not been truly noticed. It has been everywhere and yet nowhere.

**Creativity:** Creativity is when curiosity and requirement come together to create a solution. Csikszentmihalyi (1996) argues that creativity occurs only when a peer group recognises the innovation of a product or an idea, and that it results in development of a domain. This follows Kuhn (1962, p.23) who describes the process that creates a paradigm shift, as 'paradigms gain their status because they are more successful than their competitors in solving a few problems that the group of practitioners has come to recognise as being acute.' I am more driven to creating new ideas than through following a systematic routine. I become bored with detail which I feel impedes expression and individualism. The ideas and theories that emerge from this dissertation come from a personal and collaborative enquiry. To be creative is not necessarily to create a paradigm shift. However, I know that being awarded a DPROF is a reflection of the extent to which those that judge this piece of work feel that it has indeed helped to move the profession on. In that sense, it is a requirement that my research enables my profession to develop a new point of view.

**Authenticity:** Authenticus (from Gk. Authentikos) 'original, genuine, principal'. Saul Bellow's opening words in his book, *'Herzog'* (1961), are, 'If I am out of mind, it's all right with me, thought Moses Herzog.' It is a story of an academic, Moses, who, throughout his life, has struggled to the near point of breakdown, through depression caused mainly through trying to find himself. Bellow cleverly interweaves different points in time to show a painful, personal journey, broken friendships, broken career, and moments of insanity which result in Moses finally coming to terms with his reality and, through that, finding happiness – as can be seen in the concluding pages where Moses philosophises to himself . . . 'What do you want, Herzog?' 'But that's just it –

not a solitary thing. I am pretty well satisfied to be, to be just as it willed, and for as long as I remain in its occupancy.' I identified with Herzog at the time of studying this book because at that point in time (in my formative teens) I too was struggling with discovering myself and was rather overwhelmed with the enormity of what the future would hold. The passage of time helps to make one wiser, and I would like to think that knowing myself better now enables me to move my personal development on in a more grounded way.

**Loyalty:** Earlier in this dissertation I comment on the fact that pivotal moments most clearly reveal one's lived values. Experiencing the separation and then the coming together of our family during the tsunami showed how deep is our love for each other, and the decision to put their safety above mine is an indicator that loyalty is a lived value.

**Courage:** 'Courage is not simply one of the virtues but the form of every virtue at the testing point' (Lewis, 1942). From the age of 9 years old, I was at boarding school whilst my parents were working overseas. As a young child, I had to cope with the long train journey to London, sometimes an overnight stay with a 'Universal Aunt', a bus ride to the airport, then plane to the West Indies or Middle East, and frequently I travelled alone. To be in different places with different cultures helped foster the self-confidence to take risk. In later years, this is reflected not so much in travel but in taking risk associated with being self-employed. Throughout my professional career, I have taken risk and I have invested in new projects that failed and invested in projects that have succeeded. As a result of this doctorate, where the concept of 'lived values' has become so prominent, I frequently challenge myself with the question, 'Am I being bold enough?' Stepping out of one's comfort zone is a prerequisite for personal development.

Knowing one's lived values is a predictor of behaviour. The fact that I know how I will act in a life-threatening situation, such as the tsunami, is curiously reassuring. Predictable behaviour helps to build inner confidence and trust with others. I refer to this later in my dissertation where I consider these values in the context of how they relate to values customers seek of sales people, the focus of my enquiry. I reflect on the conflict caused when a customer's values conflict with personal values, and consider the consequences on the actions taken.

The next Chapter, however, explores the literature that has been written on the subject of values for sales people, and as values are closely linked to trust, I also explore research on trust as it relates to the selling process.

## CHAPTER 4: LITERATURE REVIEW

### 4.1 *Setting the context for my Literature Review*

Values are relatively enduring conceptions of ultimate goods and evils in human relationships, as well as the best and worst ways of pursuing those goods and evils (Gronbeck et al, 1997).

The connection between the words 'value' and 'values' has been the subject of much discussion with customers and colleagues. If we reflect on these questions – 'What do you value?' 'What is of value?' 'What values do you have?' 'How do you create value?' 'What is the value of this?' – it is clear that the word 'value' can have both a monetary and social/moral sense. Values tend to be more subjective and, as a colleague said, it is 'what makes you get out of bed in the morning' as opposed to value which has a more monetary connection. The words are so similar that I frequently found myself having to explain the difference. People in sales often confuse value (monetary) with values (social/moral). It is important, therefore, that I explain the differences between value-based selling and values-based selling, as this explains my research strategy.

#### **Value as it relates to selling**

Value-based selling is where a sales approach is such that one is always looking for ways to sell a product based on the value it creates for a customer. As Mike Moorman (2007) says, 'Value-Based Selling is simple in concept: Win and Grow customers through product, service and programmes whose total value relative to price exceeds that of alternatives.' Adopting this approach defines the way a sales person qualifies the opportunity and then sells the economic value of their solution. My research is whether a values-based selling approach (where a sales person lives customer-centric values) is effective in producing results. I do not, therefore, explore literature on Value-Based Selling as it is not relevant to my enquiry.

Value-Based Marketing is another term used that could confuse. Value-Based Marketing is based on the concept of shareholder value. 'The fundamental principle of value-based marketing is that marketing strategies should be judged on the basis of their net contribution to shareholder value . . . the shareholder value in a company is the discounted value of all future cash expected to accrue to that project' (Brennan et al, 2003, p.101). Whilst there is an implicit connection between the relational aspects of a sales person, customer and shareholder value, my intent is to explore what values customers seek of sales people and whether, by living those values, value is created. As marketing covers a broader range of topics than the relational aspects of a customer-seller relationship, I do not explore literature on Value-Based Marketing but recognise that my research may add to the debate of what drives economic shareholder value from a sales perspective.

In my dissertation I explore whether values that customers seek of sales people are universal – to what extent these values are common across different people and different cultural groups. Can values be taught? How are they acquired? So literature research on the definition of values is relevant as it provides the foundation from which to base by research findings. However, I am influenced by Howard Gardner. In his book, *'Five Minds for the Future'* (2006), he links the minds of Disciplinary, Synthesizing, Creating, Respectful and Ethical to the values we should develop for the future if we are to thrive in the world. Gardner asks the reader to think of the minds with a policy perspective, not a psychology perspective. I too am interested in the notion of the lived values required to meet the requirements of customers. In a similar way, I am seeking to understand the minds of sales people required to compete in a world that is highly competitive, where knowledge is ubiquitous and customers more highly informed. As Gardner sees a link between 'minds', 'values' and 'policy', I wish to explore the link between the words 'mindset', 'lived values' and 'policy' from the customer's perspective. I do not focus on attempting to argue the difference between values, beliefs and attitudes (of which much has been researched and written) (Gronbeck et al, 1997, and Rokeach, 1973) and, therefore, I do not see that a literature review on these broader topics as being relevant to my enquiry.

What interests me is to ascertain what research and books have been written on values as they relate to the sales person. Given that I want to focus this dissertation on the customer's perspective, I particularly seek literature that has researched 'customer perspectives' of what they think of sales people and what approaches work or do not work. By contrasting customers' perspectives with those of sales people, I hope to develop new insights as to why there appears to be such a dissonance between what customers want of sales people and what they get.

Given that many of the interviews I have conducted are with customers and sales people selling to large and important customers, my literature research also includes Key Account Management (KAM). What research has been carried out to test the efficacy of these programmes? Am I a lone voice here, feeling, sensing that there is a problem, where others do not see so?

Most empirical research starts from some kind of hypothesis. As a practitioner of selling, I am interested to understand what is considered the conventional and accepted criteria used by researchers to evaluate a sales person's performance. Therefore, I realise the importance of exploring what models of assessment and judgement are considered acceptable practice, and comment on their relevance to my enquiry.

My literature research therefore covers four areas:

- Models for Assessing Sales People's Performance
- Efficacy of Key Account Management Programmes from a Selling Perspective
- Current Sales Practices
- Values for Selling where possible from the Customer's Perspective

Most practitioners of key account selling and those selling complex solutions are informed through popular books written on how to improve selling effectiveness, so I research these as well as the academic research studies in order to develop insights in to current sales practices taught by sales trainers.

## ***4.2 Models for Assessing Sales People's Performance***

Two models for assessing sales people's performance are currently used by academics. These are defined as Adaptive Selling, and Customer-Orientated Selling. The Adaptive model emerged from research conducted by Weitz in 1978. He emphasises the adaptive nature by suggesting that sales people collect information on customers, develop a sales strategy to sell to the customer, communicate messages based on the strategy, evaluate a customer's reaction, and then react accordingly. Spiro and Weitz (1990) suggest that, given the difficulty in researching unique adaptive capability of personal selling, this means that little empirical research has been conducted on this aspect of sales behaviour.

'The practice of adaptive selling is defined as the altering of sales behaviours during a customer interaction or across customer interactions based on perceived information about a selling situation.' (Weitz et al, 1986.)

Adaptive Selling suggests that sales people become more effective if:

1. They recognise that different sales approaches are needed for different sales customers.
2. They have confidence in their ability to use different approaches.
3. They have the confidence in their ability to use a different approach during an interaction.
4. They collect information to facilitate adaptation.
5. They use different approaches.

Spiro and Weitz (1990) explore the degree to which sales people are seen to be practising the ADAPTS approach and assess whether performance can be linked to this approach. They conclude that the ADAPTS scale 'can be useful for managerial activities and general research, however, additional research is required to investigate further the validity of the scale' (p.67).

The degree to which sales people implement marketing concepts at the point of sale was questioned by Dubinsky and Staples (1981). They studied sales people's perception of the perceived importance of 61 different selling techniques. Of all the techniques reviewed, the ones that sales people most preferred were those that helped them to identify and cater for the needs and problems of customers. The concept of Customer-Orientated Selling was developed by Saxe and Weitz (1982).

They defined customer-orientated selling as:

1. The desire to help customers make satisfactory purchase decisions.
2. Helping customers assess their needs.
3. Offering products that will satisfy those needs.
4. Describe the products accurately.
5. Avoid deceptive or manipulative behaviour.
6. Avoid the use of high pressure.

SOCO is used as a measurement system for customer-orientation. SOCO stands for Sales Orientation-Customer Orientation. Sales people who are customer-orientated develop actions and strategies designed to develop long-term customer relationships. They would not take decisions which, whilst beneficial in the short-term, would adversely affect the customer in the long-term. Sales people who are highly customer-orientated have high concern for others and themselves, whilst sales people with low customer-orientation have low concern for others and high concern for themselves. The six traits, described above, were developed by Saxe and Weitz (1982) from a literature review and interviews with 25 sales people and sales managers. It is interesting to note, therefore, that the construct for the model was not based on a customer's point of view. If the object of a sales person's approach is to sell to a customer, does it not make sense to research what customers perceive to be good and poor practice? I question, therefore, the validity of this model, and I am not the only one who does so.

Schwepker (2003) has been helpful in observing how the SOCO model has been used for research by different academics. He developed 10 hypotheses for future consideration of SOCO

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research approaches, these hypotheses being based on his review of 37 different studies of SOCO research papers. I have selected those more relevant to my research, i.e. those which imply that values are required for effective selling.

1. The more ethical the firm's climate, the greater the customer-orientation of the sales person.
2. The more ethical the firm's ethical climate, the less the negative impact of outcome-based control on customer-orientated selling.
3. The higher sales people's moral values, the greater their customer-orientation.
4. When the organisation and individual sales people both value customer needs, customer-orientated selling will be associated negatively with role conflict.
5. There is a positive orientation between customer-orientation and customer trust.

Of particular note is Schwepker's observation (2003, p.21): 'Firms that actively develop customer-oriented cultures and climates will be more successful in developing customer-orientated sales people.' He suggests that 'it involves understanding customers and creating value for them (Narver & Slater, 1990). Employees learn what is important to the organisation through their perception of organisational values (Kelly, 1990). Through socialisation and training tactics, sales people can learn the values most important to the firm. Furthermore, the organisation must actively engage in research to understand its customers, to ensure it can position itself to provide ongoing value for them.' (2003, p.21).

His research does not define the values required of sales people, and it is not entirely clear whether he is referring to the values of customers or the values of the organisation that the sales person is working for. It is, though, interesting that he has raised the issue of values and suggests that this is taken into consideration for further research. He questions the ontology of the SOCO constructs and comments that the SOCO focuses on selling orientation communication practices. Its scope may need to be broadened to assess behaviours that would be considered selling-orientated.

As I have done, Schwepker also questions whether it is time to question the validity of the SOCO model. He even asks, is the SOCO simply a sales presentation based approach? He suggests that, to improve the validity of the model, it should be enhanced to cover not just communication practices, but also appropriate customer-orientated behaviours. In this respect, he suggests that

further research is conducted on the study of ethics and climate as influencing factors of sales effectiveness.

Swenson and Herche (1994) conducted empirical research into the extent to which social values affect a sales person's performance. They were keen to explore the effect certain values had on performance. Their values were based on Feather's (1975), Maslow's (1954), and Rokeach's (1973) work on Values. The List Of Values (LOV) is: Sense of Accomplishment, Self-Respect, Self-Fulfilment, Being Well Respected, Fun and Enjoyment, Excitement, Warm Relationship with Others, Sense of Belonging, and Security. Their research was based on studying 271 sales people. Their conclusions were that, whilst the achievement dimension reported higher levels of performance than did sales people who expressed other values, there was a requirement to conduct further research into the role values play in the sales process. They linked their research to the ADAPT and SOCO models and suggested this extended the thinking of customer-orientated selling. I argue again that the values listed reflect those of sales people, and that further research on values that customers seek of sales people will help the customer-orientation of sales people.

Thus, I conclude that the principal research methods used by academic researchers to-date are based on research conducted with sales people, not with customers. This bias limits our understanding of what is required for sales effectiveness. Little academic research has been conducted on the topic of values as it relates to the sales process (Swenson & Herche, 1994). Those who have researched values have based their research on values important to sales people and not to customers.

### ***4.3 Efficacy of Key Account Programmes from a Selling Perspective***

It is helpful at this point to define what I mean by **key accounts**, **global accounts**, and **selling complex solutions**.

**Key accounts** can be defined as accounts that are of 'strategic importance' . . . 'these companies may be large or small – they may exhibit a willingness to forge close, long-term relationships with sellers, or operate at arms length and be brutally opportunistic in their dealings.' (Millman & Wilson, 1995, p.10.)

**'Global Accounts** are large companies that operate in multiple countries, often on two or more continents, are strategically important to the supplier and have some form of coordinated purchasing.' (Hennessey & Jeannett, 2003, p.1.)

**Selling complex solutions** are high value. They comprise different components, both products and services, can span different geographic countries, and involve multiple partners and multiple decision-makers. Given their size, often Key Accounts and Global Accounts involve selling complex solutions.

'Customers' are often cited as the most important asset of any business and, therefore, a supplier's sales strategy is a source of competitive advantage (Cheverton, 2006, Hanan, 1999, Storbacker, 2006, and Wilson et al, 2002). People would expect, therefore, extensive academic and practitioner-based research on the topic. This seems not to be the case. Frequently, researchers cite the lack of empirical and practitioner-based research on the topic of global account selling and key account management (Kohli & Jaworski, 1990, Homburg et al, 2002, Kempers & van der Hart, 1999, Millman & Wilson, 1995, Tuli et al, 2007, and Wengler et al, 2006). Research into Key Account Programmes has generally fallen into Organisational and Relational 'streams'. 'Organisational' relates to how to select accounts, how to structure an account team, and how to develop internal processes to support teams. As my research focuses on the relational aspect of selling, I shall focus more on this aspect of the literature, i.e. once the account structures and processes are in place, what relational qualities are required to make the supplier-customer relationships effective.

Given that Key Accounts are of strategic importance and, therefore, receive special focus, one would expect to see much improved relationships and profits. To what extent do key account programmes improve client supplier relationships? In 1997, Napolitano's exhaustive survey of the effectiveness of the Key Account Manager (KAM) suggested that the majority of key account programmes are ineffective. More recently, research on key account relationships (Ivens & Pardo, 2007, p.470) and ordinary supplier-buyer dyads regarding differences in suppliers' relational behaviours and customers' perceptions of relational qualities suggests that – 'while as compared to ordinary relationships – suppliers put in significantly more effort in "value-creating behaviours" in key account relationships, they do not modify their "value-claiming behaviours", . . . on the customer side, suppliers' increased value-creating activities lead to increased commitment. However, customers are neither more satisfied nor do they trust their suppliers more when they receive key account status.' This research also supports the earlier study by Schwepker (2003), that formal KAM programmes add no intrinsic value to the relationship.

The notion of 'Trust' is central to Key Account Programmes (Raimondo, 2000) and one that I explore in more depth as values alignment between buyer and seller could be important as a means of developing trust.

Abratt and Kelly (2002) conclude that 'suppliers and their key account customers have similar perceptions of the key account success factors in the customer-supplier partnership.' If both

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parties have similar perceptions, why is there a disconnect between what suppliers deliver and what customers expect? For example, whilst trust is considered a key success factor for both supplier and customer, Abratt and Kelly suggest that what constitutes trust is different between suppliers and customers. Customers view trust as not breaking a contract; suppliers view trust as the sharing of information. This difference in perception suggests to me that customers desire a transactional relationship, i.e. 'manage by contract', whilst suppliers are looking for a more strategic relationship, i.e. based on transparency and sharing information.

Raimondo (2000, p.2) has conducted an interesting review of measurement of trust in marketing studies. She argues that, whilst that trust is a crucial factor in moving relationships from 'discrete market transactions to continuous exchange relationships', there is, as yet, 'no complete agreement about its definition, nor about its measurement.' The paper recognises the important role of 'trust' in value creation. Raimondo (2002) explains that different researchers have defined trust constructs in different ways:

- Castaldo (1994) defines trust as the 'predictability of the behaviour of the subject – or the organization – in whom trust is placed, which comes from learning based on experience; the second one is the certainty that the person concerned could not behave opportunistically and that his actions would be aimed to achieve joint benefits.' (p.2.)
- Zaheer et al (1995) define trust as being the expectation that an actor can be relied on to fulfil obligations, behave in a predictable way, and will act fairly when the opportunity for opportunism is present. (p.30.)
- Geyskens et al (1996) define trust as being the extent that the channel member believes the partner to be honest and benevolent. (p.29.)

Through her analysis of research approaches, Raimondo (2002, p.1) argues that, without a universal framework for defining what constitutes trust, there is a lack of 'completely satisfying and widely agreed models and methods of organisation, suitable for the evaluation of trust in market relationships and its process of generation and growth over time.' For example, Andaleeb (1992), Busacca and Castaldo (1996), Doney and Cannon (1997), Fletcher and Peters (1997), and Ganesan (1994) all suggest that motives and ability are components of trust. Others (Crosby, et al, 1990, Moorman, et al, 1993, Morgan & Hunt, 1994, Selnes, 1998, Swan & Nolan, 1985, and Swan et al, 1985) feel that ability and motives are an antecedent for trust – meaning that trust happens as a result of these attributes.

### Categories of Trust

Andaleeb created an interesting construct of trust where he linked Ability and Motives to different levels of Trust. Is it possible to link values to motives?

A motive is an emotion, desire, physiological need, or similar impulse that acts as an incitement to action (Dictionary.com).

Later, I refer to Raz (1999) who suggests that actions or non-actions reflect an individual's belief systems, i.e. values, and, therefore, that motives, as described in Figure 4.1, can be linked to values, as one can argue that one's motives can reflect one's values, values being the belief system from which motives emerge through action or non-action.

		Ability	
		High	Low
Motives	Positive	Bonding Trust	Hopeful Trust
	Negative	Unstable Trust	Distrust

Source: Andaleeb (1992)

**Figure 4.1: Relationship Between Ability and Motives**

The idea of different levels of trust makes intuitive sense and I shall seek to explore the relationship between values and the construct of progressive trust in my final conclusions.

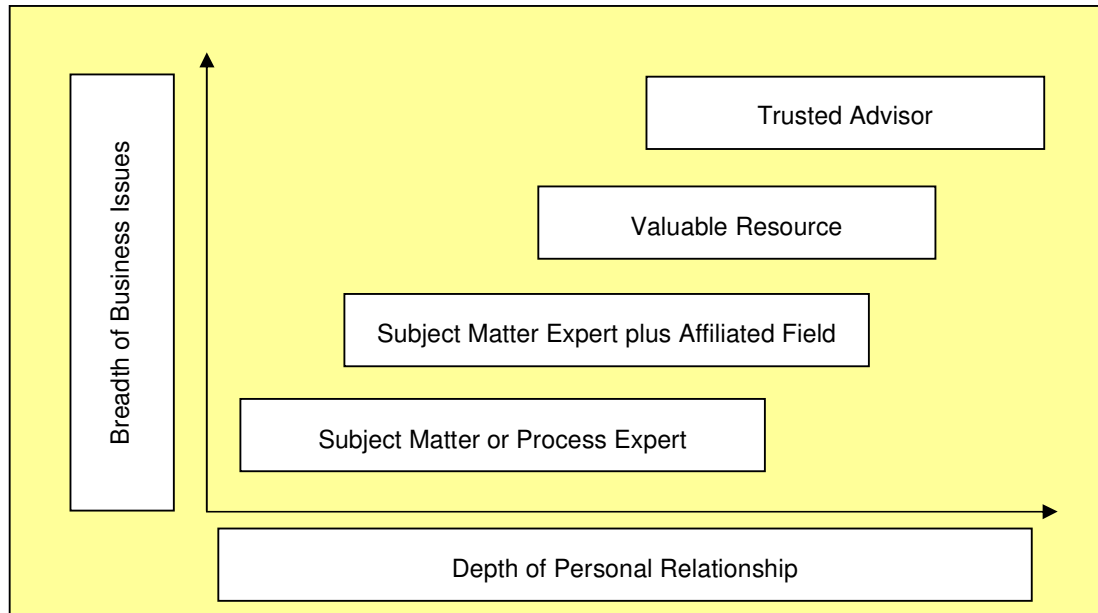
Maister et al (2002, p.x), authors of the book, *'The Trusted Advisor'*, write, 'with ever increasing frequency, clients conduct a microscopic examination of their providers' bills, challenging expenses, questioning how projects were staffed, and how much time various tasks required . . . There was a time when clients trusted professionals automatically, based solely upon their honourable calling.' They argue that, unless you earn your client's trust, you will fail to get access to clients more often, or to persuade the client to make introductions to others in their organisation and, therefore, reduce the chance to cross-sell solutions to customers.

Their construct of trust is based on the equation:

$$T = \frac{(C + R + I)}{S}$$

where T = Trustworthiness, C = Credibility, R = Reliability,  
I = Intimacy and S = Self-orientation.

They suggest that the Client-Advisor Relationship evolves, as shown in Figure 4.2.



**Figure 4.2: Client-Advisor Relationship**

Like Andaleeb, Maister et al, recognise the importance of ability, i.e. Subject Matter Expert, and, like Andaleeb, they also suggest that there are different levels of Trust in a relationship. In reflecting on this, I use the analogy of going to a doctor (subject matter expert) to have a serious operation. Do I require a personal relationship in order to elevate them to trusted advisor status? Probably not. If I had to have a heart operation, I would not care whether I liked this person; the only thing I would care about is whether he or she is capable of doing the operation. Given the choice of selecting from two doctors who are equally as capable, I would choose the doctor with whom I felt I had a better personal relationship. Where there is choice, relationships become very important. In sales, it is very rare to find a market where there is no choice. Therefore, surmise, as do Maister et al, that relationships are critical when a buyer has choice, i.e. most of the time! To what extent do values influence personal relationships? Answers to this question will be explored in my research.

**Key Account Management – Top Management Support**

Much of the literature on key account programmes highlights the importance of senior management support. Webster (1988, p.37) suggests that 'CEOs must give clear signals and establish clear values and beliefs about serving the customer. Variability in approach to customers is likely to lead to ambiguity about the amount of effort and/or resources junior managers will allocate to market orientated tasks.' Kohli and Jaworski (1990, p.8) suggest that, if 'top managers demonstrate a willingness to take risks and accept occasional failures as being natural, junior managers are more likely to propose and introduce new offerings in response to change in customer needs.' Napolitano's framework (1997) for successful key account programmes includes Executive Management Sponsorship and suggests that KAMs report to the highest level within the selling organisations. However, Argyris (1966) concluded, having attended 265 decision-makers' meetings, that behaviour does not reflect commitment to be market-orientated, i.e. decision-makers in suppliers often act in a non-client-centric way. What evidence would indicate that organisations desire a client-centric culture? Kohli and Jaworski (1990) and Napolitano (1997) stress the importance of executive management sponsorship, so one could expect that those companies who genuinely desire to live client-centric values would develop remuneration policy to encourage the right behaviour.

Yip and Bink (2007, p.79) recognise the importance of remuneration – 'another difficult issue in remuneration systems is how to motivate the Global Account Manager to act in the long-term interests of the account, rather than go for his or her annual bonus.' Sengupta et al (1997) also confirm the importance of having the right remuneration systems. However, in a survey of 650 members of the National Account Management Association (NAMA), they confirm that most remuneration systems reward revenue and profitability, but fail to recognise long-term relationships. Sengupta et al (1997) also conclude that KAMs require more up-to-date information that can enable long-term strategic planning.

Legat and Woehr (2002, p.5) state that 'everyone is using a method or sales aid but it doesn't seem to help' to sell more. They argue that the reason for this is that sales management has not helped to remove the constraints to allow a sales force to sell more. Their research into companies' sales systems suggests that all constraints are caused by policy. Policy affects the ability of a sales person to leverage the resources of their organisation to bring value to their customers.

Workman et al (2003) reflect on intra-organisational determinants of Key Account Management Effectiveness. They argue that, whilst there is much research on personal sales effectiveness, there is little empirical research on the intra-organisational factors that affect sales performance. They examine selling in a team selling context and its relatedness to performance. Based on

interviews with sales managers, they identified a number of factors felt to influence performance: Intensity of Activity, Proactiveness, Top Management Involvement, Use of Teams, KAM team Esprit de Corps, Control of Marketing Resources, and KAM approach formalisation. Their research was based on survey data received from 174 US companies and 171 German companies. They concluded that the dimensions of the KAM approach that have a positive affect on KAM performance are: KAM team esprit de corps, access to sales and marketing resources, activity intensity, activity proactiveness, and top management involvement in KAM. Interestingly, the formalisation of KAM, much written about in KAM literature, is negatively related to performance. They surmise that formalising the KAM approach leads to bureaucracy and impedes flexibility in responding to the demands of Key Accounts. This may account for the poor performance of account management programmes where companies have attempted to use process methods to improve performance rather than mindset.

Schwepker (2003) and Workman et al (2003) imply that a values-based and proactive approach to Key Account Selling with Top Management Support could enhance sales team performance.

#### **4.4 *Current Sales Practices***

I have researched some of the best selling books on sales in order to explore the extent to which they suggest a values-based approach could improve efficiency.

Fielder (2002, p.1) recognises that 'traditionally, sales training focuses on the steps the seller takes in making the sale, but people buy using *their* buying pattern not our sales pattern.' He summarises five key insights into selling solutions as:

- Be a specialist.
- Reduce risk.
- Believe in your solution.
- Use questions not reasons as your main persuasive tools.
- Understand the power of positioning.



As a result of intensive investigation of how major purchases were made, he defines the different stages of the buying process:

- Recognise the Gap.
- Ask Internally.
- Criteria for ordering.
- Evaluating competing options.
- Resolve final concerns.
- Negotiate.
- Implement.

Fielder (2002) discusses the importance of Trust and Transparency – within the context of his book, this occupies a few pages. His recommendations for selling are to follow a set process. He quotes only 10% of sales people being top performers, though it is unclear where his statistic comes from.

Bosworth and Holland (1995) discuss the importance of sales people finding out the 'pain' customers have. Most buyers, they say, are not in the market for a supplier's products. The challenge for sales people is, therefore, to create a need. They describe three levels of what they call the buying process – latent pain, pain, and then vision. The goal of sales people is to transform what might be a latent pain into pain that the customer recognises they have, then provide a vision as to what the sales person can do to solve the pain. They develop a process to explore each of these stages of the buying process and provide techniques to support the sales people in the process. Their process is based on 'situational fluency'. They propose that sales people need to adapt their behaviour to suit the customer's situation. Much guidance is provided in how to handle objections and recognising different type of objections. They suggest techniques to lead the buyer whilst staying strategically aligned.

Bosworth and Holland (2004) outline their customer-centric methodology. They contrast 'traditional' selling with 'customer-centric' selling, as shown in Table 4.1.

**Table 4.1: Traditional and Customer-Centric Selling**

Traditional	Customer-Centric
Make Presentations	Converse Situationally
Offer Opinions	Ask Relevant Questions
Focus on Relationship	Focus on Solutions
Gravitate towards users	Target Business People
Rely on Product	Relate Product Usage
Need to be managed	Manage their Managers
Attempt to sell by: <ul style="list-style-type: none"> <li>• Convincing/persuading</li> <li>• Handling Objections</li> <li>• Overcoming resistance</li> </ul>	Empower buyers to: <ul style="list-style-type: none"> <li>• Achieve goals</li> <li>• Solve problems</li> <li>• Satisfy Needs</li> </ul>

As with Fielder, these authors suggest that 'perhaps 10% of sales professionals' sell in a client-centric way. Again, it is unclear how they have arrived at this figure, as they do not present evidence of research. They suggest codifying the art of selling, and suggest that it should define:

- When the buying cycles begin.
- The steps in Making a Recommendation.
- The steps necessary to have the buyers understand their requirements.
- The steps needed for buyers to understand how your offering addresses their goals and problems.
- An estimated decision date documented to confirm the buyer's agreement.

Whilst they discuss the notion of having intelligent conversations with customers, they discount the idea of building relationships.

Hanan (1999, p.xix) argues that it 'is the ability to free price from cost and competition by relating price to an investment' that produces success. He says that to be successful means 'selling new profit dollars, not enhanced performance benefits or interactive systems, but the new profits that can add value to the bottom line.' He suggests strategies for consultative selling. He observes that 'vending' has hit the wall and that the future is about selling value (p.19). His book focuses on how to articulate the economic value of your product or service.

He compares the difference between consultative selling and vendor selling, as shown in Table 4.2.

**Table 4.2: Consultative Selling and Vendor Selling**

Consultative Selling	Vendor Selling
The seller supplies profit as his product	The seller supplies product
The seller offers a return on the customer's investment	The seller charges a price
The seller uses a Profit Improvement Proposal	The seller uses an order form
The seller quantifies the benefits from his customer's investment	The seller attempts to justify his cost
The seller attaches his investment to the customer's return	The seller attaches his price to his product
The seller helps his customer compete against his customer's competitors	The seller competes against his own competitors
The customer closes	The seller tries to close
The seller sells to a business manager	The seller sells to a purchasing manager
The seller features his customer's improved performance	The seller features his product's performance
The seller's product is improved customer profits	The seller's product is equipment, a service, a process, or a system
The seller sells to a dedicated industry and to dedicated customers within it	The seller sells to a dedicated territory

A section of his book is entitled 'knowing current customer values'. He defines consultative selling as 'a sale is a transfer of values: a customer's resources – time, talent and money are transferred for the contribution to customer profits made by a supplier's products or services.' It is clear that Hanan's notion of the word 'values' is aligned to the monetary sense and not from the perspective of ethics or moral standards.

Steve Kaplan (2005, p.12) provides insights into selling to large companies. He refers to large companies as 'elephants'. Kaplan discusses important and strategic success factors for selling to large accounts. The factors include: One and Done (you only get one chance to win the account); Priority One (make the customer feel special); Whatever it takes (be flexible); Long Term Vision (do not aim for short-term results); Breath of Fresh Air (have fun); and Partner (think of your customer as a partner). He describes different types of sales person as the Sage

(a sales person who is cautious, highly knowledgeable, trusting); Pals (a sales person who builds relationships, friendly); or Pit Bulls (a sales person who is focussed on bottom line, profit-driven, competitive). He suggests that sales people need to be like a chameleon, adapting their approach to different types of 'customer' – this supports the ADAPTS model. Kaplan's book refers to his own personal sales experience and draws upon his success. His suggestions are not supported by any academic referencing or research. He makes no reference to values required for selling to large accounts.

Schell (2003) conducted interviews with 228 buyers. When asked to define the essence of effective selling, their response was effective communication, building trust, respecting time. His research methodology follows the sales process of prospecting, preparing, meeting, proposing, closing, and maintaining.

His evidence (shown in Table 4.3) supports my research that sales people fail to meet expectations in most instances. I will consider 'what values should a sales person have, to avoid criticism of buyers?'

**Table 4.3: Buyer's Response to Sales Process**

Stage of the Sales Process	Buyer's Response
Prospecting	The majority of buyers said that most reps did not seem to have done any research prior to their sales meetings.
Preparing	Almost half the buyers said that reps rarely handle objections proactively and positively. The majority of buyers said that most reps did not ask good questions on sales calls. The vast majority of buyers said that most rep teams were clearly unprepared for meetings.
Meeting	The majority of buyers said that only about one in two reps arrived with a prepared meeting structure, and less than half took the time to be sure that they had answered complex questions clearly. 46% of the buyers said that the majority of reps neglect to summarise the key points of a meeting.
Proposal	45% of buyers said only about one in two reps provide quality proposals.

A central question remains – why, in spite of all the training that sales people receive on how to prospect and how to prepare for meetings, do so few people do it? If Raz (1999, p.19) is correct in that 'activity is related to the proper functioning of the processes which govern our mental lives, our beliefs,' then the act of doing something or not doing something reflects our beliefs.

Given the option of choosing apples or pears, I may choose apples because I prefer them, even if pears are more valuable. In the same way, sales people will choose to act or not act according to their beliefs. Their decision reflects their beliefs system – their values. Most sales people would not disagree with the importance of writing a summary of a sales call, yet, according to Schell's research (2003), 46% of buyers said sales people neglect to write a summary of a sales call. Whilst writing a summary of a sales call requires skill, the reason it is done or not done reflects their belief in the value of such an activity. This supports Raz (1999, p.65) who suggests that 'the will plays a role in human agency separate from that of reason, a role that neither kowtows to reason by endorsing its conclusions, nor irrationality rebels against it by refusing to endorse them.' If they aspire to the belief that writing summaries is good practice, they will act on it if their belief is sufficiently strong to promote action.

I am interested in Raz's (1999) concept of social practices – he refers to them as 'sustaining practices' and explains that they 'thicken the texture of goods allowing them to develop greater subtlety and nuance' (p.205). This is the essence of lived values – lived values are sustaining practices – 'they are absorbed by assimilation, by habituation, the ability to engage with them presupposes implicit knowledge and understanding which one acquires through habituation and cannot acquire by description' (p.205). This is interesting in the context of developing sales people to adopt sustaining practices that improve their selling effectiveness. Describing techniques of sales effectiveness will not in itself produce sustained practices. Perhaps this explains a reason why current sales training efforts fail to succeed. The sales profession has focused on sales methods and techniques and, in doing so, perhaps has overlooked the pedagogical approach required for best practices to be absorbed into the cultural values of the organisation.

There is very little literature on values for selling. My literature search has highlighted a few authors who focus on this subject

Ben and Dale Midgley (2005) argue the importance of values because the way in which a company sells reflects everything about a company. They conclude that 'words' to live by are Integrity, Determination, Competence, Loyalty, Cooperation, Leadership, Consistency, Persistence, and Love. They advocate not using tricks to get the sale as customers can see through these. They recognise that customers do not like to be sold to and do not like to be controlled. They suggest that the process for building good relationships can be taught effectively, but argue that people who naturally show care and concern in other areas of their lives will understand the process intuitively. They argue that the only way to hit budgeted sales is to make the customer experience authentic. As some of their interviewees conclude, few customers are fooled, dazzled or even pleased by the approach of the tired sales principles developed long ago. They are particularly concerned about the adoption of Neuro Linguistic

Programming (NLP) in the sales process. They suggest that the idea of mirroring does not focus on being genuinely concerned. They argue that Trust should not be manipulated or created as the 'impression' of trust. Trust must be earned over time.

Thompson and Soper (2007) promote the idea that adding 'values-driven' or 'socially responsible' to business goals adds a new paradigm to the success equation. Its focus is mainly to do with being socially responsible and thus provides little insight into research on values.

Bachrach (1998, p.xxxiv) recognises that in the financial services sector the 'public trust is less than ever.' He says that the 'two most critical elements in creating profitable client relationships are *emotional involvement* and *trust*' (p.26). He suggests a framework called values conversation that is based on a 'staircase'. The staircase seems to be based on Maslow's hierarchy of needs – the first stair being security, the last stair being satisfaction (life has purpose). He proposes questioning techniques to help determine the stair the customer is on and provides other suggestions such as 'three strikes and you are out' (p.58) if the customer is uncooperative. While again the title of the book, '*Values Based Selling*', suggests an interesting angle, albeit in the business-to-consumer market, the techniques espoused would be seen as manipulative if used in a business-to-business environment, and would lead to a break down of trust.

#### ***4.5 Values for Selling Where Possible from a Customer's Perspective***

We have already observed that, whilst the SOCO and ADAPTS models are currently used by researchers, these models do not consider values customers seek of sales people.

Therefore, I have been interested to explore evidence of values being used to create highly successful organisations. As mentioned before, I am very aware of the significant amount of research into values, beliefs and attitudes. I am particularly interested to explore the extent that leading with values produces results. Hess and Cameron (2006) bring together researchers and academics who describe evidence, written as case studies, of how different organisations have used a values-based approach to create organisational success. I comment on a number of these as follows.

##### **Case Study One – Synovus**

Synovus, a Financial Services company, as described by Drazin et al (2006), uses a 'system-wide approach to values-based leadership' (p.9). It is based on a simple principle: 'Just take care of your people' (p.9). Its culture operates with a 'handful of founding principles' – its golden

rule is based on 'servant leadership' (p.15) – that 'leaders are there to serve the organisation and its people' (p.15). Their focus on living its values begins within compensating its employees adequately for their commitment and dedication. This includes the provision of share options, healthcare, flexi-time, and education. People take precedence over profits. The corporate culture and values are often passed on via storytelling and recounting of parables and anecdotes.

Evidence of its success can be seen not only in its financial performance, but also in its awards, as shown in Table 4.4.

**Table 4.4: Synovus Awards 2006-2008**

<b>2008:</b>	<p>Synovus named No. 19 on Georgia Trend Magazine's ranking of "Georgia's Top 100 Companies"</p> <p>Synovus ranked No. 15 on US Banker Magazine's list of "Top 100 Banks"</p> <p>Synovus receives NACHA's 2008 Mitchell Payments System Excellence Award</p>
<b>2007:</b>	<p>Synovus appears on The Banker Magazine's list of the "Top 1000 World Banks 2007"</p> <p>Synovus named to Georgia 100 "Best of Business" list by the Atlanta Journal Constitution</p> <p>Synovus ranked No. 19 on ABA Banking Journal magazine's list of "Banking's Top Performers"</p> <p>Synovus named No. 98 on FORTUNE magazine's 10th annual listing of "The Best Companies to Work For in America"</p> <p>Synovus named No. 16 on Georgia Trend Magazine's ranking of "Top Companies in Georgia"</p> <p>Synovus ranked No. 20 on US Banker Magazine's list of "Top 100 Banks"</p> <p>Synovus named No. 46 on "The Business Week 50"</p>
<b>2006:</b>	<p>Synovus named to <i>Georgia Trend</i> magazine's list of "Best Places to Work in Georgia"</p> <p>Synovus named No. 6 on <i>Bank Director</i> magazine's "Best Performing Banks of 2006"</p> <p>James H. Blanchard, Chairman, presented the VanLandingham Award by the Georgia Council for Economic Education</p> <p>James H. Blanchard, Chairman, received the Martin Luther King, Jr. Unity Award from Delta Lambda Chapter of Alpha Phi Alpha Fraternity, Inc. Educational Foundation</p> <p>James H. Blanchard, Chairman, named to <i>Georgia Trend</i> magazine's "Most Influential Georgians Hall of Fame"</p> <p>Synovus named No. 57 on <i>FORTUNE</i> magazine's ninth annual listing of "The 100 Best Companies to Work For"</p> <p>Synovus was ranked No. 16 among "Large Companies" making the list</p> <p>Synovus named to <i>Forbes</i> magazine's 56<sup>th</sup> annual Platinum 400 "American's Best Big Companies" list</p> <p>Synovus named No. 17 on <i>US Banker</i> magazine's "Top 20 Banks" in the country</p> <p>Synovus named to the "Georgia's Top 50 Public Companies" list by <i>Georgia Trend</i> magazine</p> <p>Synovus named to the "Top 100 Banks of 2005" list by <i>US Banker</i> magazine</p> <p>Synovus named to the "100 Best Corporate Citizens of 2006" list by <i>Business Ethics</i> magazine</p> <p>Synovus named No. 25 on the "Banking's Top Performers of 2006" list by <i>ABA Banking Journal</i> magazine</p> <p>Synovus named to the "Georgia's Top 50 Public Companies" list by <i>Georgia Trend</i> magazine</p> <p>Synovus selected as one of the "2006 Best Places for Minorities to Work" by <i>Atlanta Tribune Magazine</i></p>

Source: Synovus website, December 2008

Notable is its achievement in coming 98th in Fortunes Top 100 companies award, this being evidence that the company is committed to its values of putting staff first.

What is interesting is that Synovus achieved its success by creating a strong internal culture based on its core values, which then permeated through to its customers. My research explores the extent to which an 'outwards in' values strategy leads to success, i.e. by taking the opposite and, one could argue, a more client-centric perspective could potentially lead to greater success.

### **Case Study Two – FedEx**

Bouch (2006, p.29) describes a good example of 'how even a very successful company has the potential to lose their values because of success.' He describes how senior managers are required to champion 'consistently and repetitively' the (right) values. This is consistent with the views of Kohli et al (1990), Napolitano (1997), and Webster (1988). FedEx's approach to values is similar to that of Synovus and 'People First' is their core value that is seen as a link to profits. It argues that people will be the company's competitive advantage. Lived Values suggest that these are in our DNA and the idea that success acts as a virus that mutates DNA is interesting.



The observation that success is a consequence of values is as interesting as the idea that failure is a consequence of success. Alternatively, that success, like a drug, triggers a different set of values, ones that are not compatible with success, such as complacency, or short-sightedness, or being ego-centric.

### **Case Study Three – Rocky Flats**

Cameron (2006, p.140)) charts the extraordinary success of how leadership values enabled the complex task of closure and clean up of a nuclear site 60 years earlier than anticipated in spite of trade union and other pressures including the complexity of the project. He concludes that, 'the impossible was made possible by adopting an abundance value system rather than a deficit value system.'



The chart in Figure 4.3 describes Cameron's concept of abundance.

	Negative Deviance	Deficit Gaps	Normal	Abundance Gaps	Positive Deviance
Individual					
Physiological	Illness		Health		Olympic Fitness
Psychological	Illness		Health		Flow
Organisational					
Revenues	Losses		Profits		Generous
Effectiveness	Ineffective		Effective		Excellent
Quality	Error-Prone		Reliable		Flawless
Ethics	Unethical		Ethical		Benevolent
Relationships	Harmful		Helpful		Honouring

**Figure 4.3: Concept of Abundance**

Cameron posits that most leaders focus on what is going wrong, that they focus on the problems and seek to correct these, and observes that 'the gap between successful performance and spectacular or extraordinarily positive performance' receives far less attention in scientific research and in the attention of managers and leaders (Cameron et al, 2004, p.141).

This graphical depiction of negative and positive behaviours suggests that values systems can be both negative, i.e. lead to negative behaviours, and positive, i.e. lead to positive behaviours. It will be interesting to research those values customers see being lived by sales people that are Positive and those that are Negative, taking into account the context of situations in which they find themselves. For example, sales people are put under enormous pressure to reach targets through bonus and remuneration systems. Such systems influence behaviour. A sales person may decide to withhold important information (such as important product/service enhancements) if it could lead to a delay in taking the order.

There is increasing evidence that researchers are recognising the importance of context as they relate to lived values (Cavanagh & Moberg, 1999, Werhane, 2002, and Zimbardo, 1970). This is especially relevant in light of the Enron debacle – fraud and, more recently, Hewlett Packard's Patricia Dunn who hired private detectives who bugged her fellow directors. Glynn and Jamerson (2006, p.160) suggest that 'contextual factors and situational forces provide powerful influence on decision-making and behaviour of otherwise virtuous people.' They quote Zimbardo (2002): 'You can't be a sweet cucumber in a vinegar barrel' (p.160). This supports the notion of Legat and Woehr (2002) in that the context or the environment in which sales people work is influenced by policy and that policy can either hinder or support change.

To what extent is there a conflict between the personal values of a sales person and the value system of their employer, and the value system of the customer? This question will not be addressed by my research, but I will refer to it in the Recommendations Chapter.

Academic research into the effectiveness of KAM programmes corroborates with my research that too few sales people are effective, (Ivens & Pardo, 2006, and Napolitano, 1997). Academic research on account manager effectiveness has also been supported by sales training consultants and authors (Bosworth, 1995, Fielder, 2002, and Schell, 2003), who also state that only 10% of sales people are effective. The idea that there is a burning platform is shared among academics and practitioners.

## **4.6 Conclusions**

I conclude, therefore, from my literature research that there is a strong body of evidence to suggest that 'corporate values' are an important influencer of commercial success (Barrett, 2006, Bouch, 2006, Cameron, 2006, and Drazin et al, 2006). Whilst there is no evidence of research on values that customers seek in sales people, there is a number of authors in the sales training profession, such as Bachrach (1998) and Ben and Dale Midgley (2005), who posit that values are key to selling. They draw upon personal experience to form their conclusions – though their opinions are not validated academically, their points of view are helpful in suggesting my research enquiry will help resonate with a number of fellow practitioners.

I am interested in the research in Trust, which, according to Raimondo (2000) and Maister et al (2002), is key to supplier-customer relationships. Later, I share insights as to how I believe values influence trust. Like Andaleeb (1992) and Maister et al (2002), I explore the notion of developing levels of Trust.

Finally, I question the research approach taken by academics in that, whilst purporting to be Customer-Centric, most of the SOCO research studies are based on interviewing sales people and their managers, not customers. Those SOCO studies that do research customers' perspectives conclude that sales people generally have a higher opinion of their customer-centricity than their customers (Dunlop et al, 1988, Gillis et al, 1998, Michaels & Day, 1985, Pilling et al, 1994). One can, therefore, conclude that the SOCO findings based on sales persons' perspectives may not be as robust as those findings based on customers' perspectives. If our goal, as practitioners of selling, is to be customer-focussed, surely our starting point must be to define how customers want to be sold to, and then to develop our strategy from there? Thus, my personal quest is to explore how customers want to be sold to from a values perspective.

## **PART 2: THE JOURNEY**

## CHAPTER 5: MY RESEARCH METHODOLOGY

### 5.1 *Introduction*

Two research methods have been used throughout my dissertation. Empirical Research has been conducted since 2002 with one-on-one interviews with customers and account managers. These interviews have been used to collect information on experiences and feelings about sales effectiveness. Since 2006, I have also used Action Research to help refine, develop and test my theories in the field. I have worked on 20 Live Deal Pursuits with Hewlett Packard, two Live Deal Pursuits with Wipro, and two Live Deals with PIC. Each of these pursuits has involved me as coach, working with, on average, a team of 10 people. I have worked with 260 sales people in recent years and 'practised' the values and discussed their effectiveness.

Therefore, I see three strands to my research:

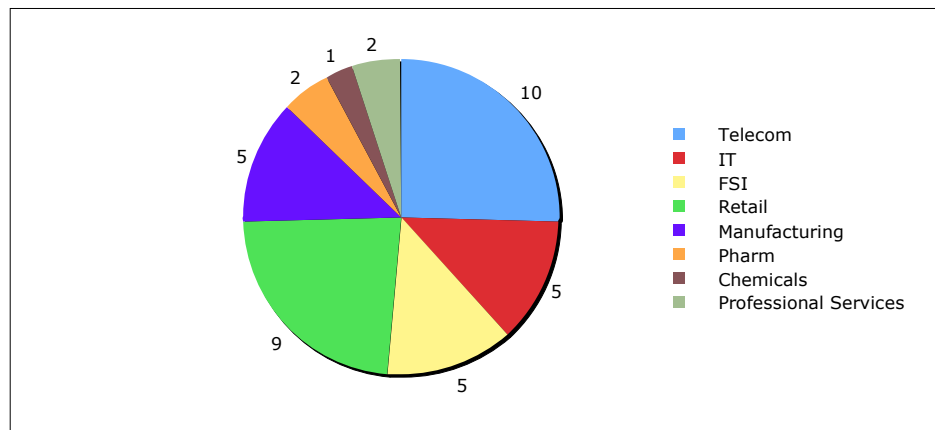
- Strand 1: This relates to One-on-One Interviews and Forums, where mostly qualitative and open questions have been used to elicit information as to sales effectiveness.
- Strand 2: Action Research based on my role as coach to other sales teams and on my personal sales activity where learning diaries and review studies have been undertaken.
- Strand 3: Where I reflect on the empirical and action research Reflective Process, and is concerned with how I think.

### 5.2 *Strand 1 – Observing and Listening to Others – Empirical Data*

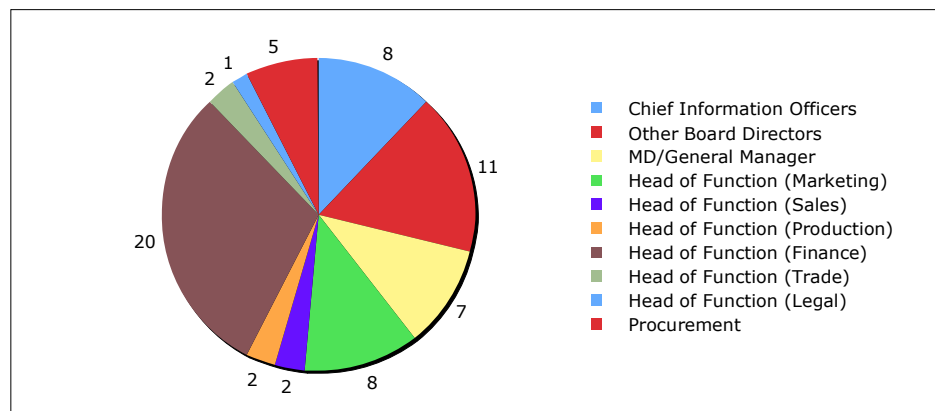
From 2002 through to 2008, I have interviewed 85 people. Of these, 66 interviews have been conducted with people who make purchasing decisions, i.e. customers. The remainder of the interviews were with sales executives in Key Account and Global Account Manager Roles. Most of the interviews were in the form of one-to-one interviews, and were either audio-taped or videoed. There was one exception in 2004, where I invited three customers and five sales people to take part in a discussion Forum about global sales effectiveness, the purpose of which was to share emerging 'perspectives', test their validity, and consider new themes. The 85 interviewees were from 39 companies. Of the 39 companies, 27 were global companies and 12 were UK-based companies. Thus, the scope of the research has been international.

I used a process of storyboarding to evaluate the themes emerging from each interview. A transcript of each interview captured the conversation, and each paragraph was then labelled. I cut out the paragraphs, laid these on a large white board, and looked for common 'themes'.

Using Mind Mapping software, I then linked these to form stories around themes. Those interviews that were videoed were edited to form a story about a particular aspect of sales. For example, one video explains what customers do not like about sales people (see Video 2 – What Turns Customers Off). Videos and audio tapes (where video was not used) provide base data and a record of conversations to which, over time, I have applied different reflective cycles. Figures 5.1 and 5.2 provide further analysis of the base data sources in respect of the types of companies for whom customers worked, and customer roles respectively.



**Figure 5.1: Company Types**



**Figure 5.2: Roles of Customers Interviewed**

Figure 5.2 reveals that most of the interviewees were board level or very senior managers who would be involved in decisions that are considered strategic and would have a material effect on the performance of a company.

### **5.3 Strand 2 – Why Action Research and How Action Research Is Applied**

Kurt Lewin (1951), as cited in Whitehead and McNiff (2006, p.21), concluded that 'workers' greater involvement would probably improve their productivity' and, as a result, developed and promoted the idea of action inquiry. The idea that, as a result of research, I could improve my personal and company performance has enabled this dissertation to happen. The idea that both professional and research practices can merge through action research was a revelation.

Action Inquiry provided an opportunity to conduct research in the midst of normal, every day practice (Torbert, 2001). He describes action inquiry as being First Person, Second Person and Third Person Research Practice.

#### **1. First Person Research Practice – the 'I' of Action Research**

Torbert (2001) posits that the practice of inquiry only really begins when one treats differences within oneself. He uses a learning diary to demonstrate how he reflects on the incongruities in his life and, through his reflections, develops new practices. Whitehead also refers to the notion of 'living contradictions'. I was moved to hear his story (at a Middlesex University presentation that he made in 2006) of how he struggled to have his action research-based PhD accepted by Bath University as being legitimate. His dissertation was born out of what he described as a living contradiction of values in the University academic accreditation system. Honig (1996) describes this sense of contradiction as 'a difference that troubles identity from within its would-be economy of the same' (p.258). I can see that the motivation for my dissertation was a concern that what I was practising as a sales training professional was based on an epistemology that was incongruent with the values espoused by customers. This, in turn, made me feel decidedly uncomfortable as I did not believe fully in what I was practising currently as a sales trainer. Questioning my practice was to question myself – again not a comfortable experience. In fact, I developed a sense of anger – anger at following an epistemology without questioning it. The late Anita Roddick of The Body Shop said that anger was the fuel of creativity. I can see that my enquiry has been to search for a truth. Seeing my world in a different way has enabled me to find new perspectives. However, the enquiry did not start with me, and I believe that my research has benefited because it did not. By reflecting on conversations of others, then reflecting on my own practice of selling, I have moved from being

objective to subjective. This has helped me to question my assumptions about what is best practice, and, as a result, I have changed my opinions.

## **2. Second Person Research Practice – the 'Us' of Action Research**

Torbert (2001) describes second person research as speaking and listening with others. In this category are my work colleagues, sales people working for our clients, and colleagues from the sales training industry. These are people with whom I work and interact on a daily basis and engage in conversations about the roles that values play in sales effectiveness.

Sales People include Global Account Managers, Account Managers, Client Relationship Directors, Project Directors, Solution Architects, Finance Experts, Senior Managers and Technologists. In addition to the structured interviews mentioned in Strand 1, I have also worked with account teams on 'live deals'. At Hewlett Packard, I have worked on 20 or so live deals. Each live deal has what they call a 'pursuit team' of about eight people. Thus, I have worked with 160 account sales people as a coach and facilitator of the pursuit process. The development of a values construct emerged as result of applying a values sales mindset to winning large deals. This has been a collaborative activity in that I worked closely with these sales teams as they developed the commercial strategies for the deals. Furthermore, Hewlett Packard has been able to compare the results of the values-based approach to its traditional approach. These are recorded in the Findings Chapter of this dissertation. In addition, I have worked with PIC, a global, professional services company, working with their pursuit teams on two live deals – one was Walmart in the USA, and the other was Cargill in the UK.

My colleagues include Libby Drake, Consalia's research and learning design consultant, Corrinne Sim, our business development manager in Singapore, Steven Robinson, a consultant with Consalia, Geraldine Locke, our Operations Director, Maite Fuentes, a shareholder based in Spain, and Federica Filipinno, based in Italy. Libby Drake and I have worked very closely to identify the emerging values. She provided an emotionally detached approach to the analysis of the interview transcripts and helped to define the emerging values. She also helped with researching current literature and designing a values-based selling approach. My other colleagues have been helpful as people to test emerging ideas and to challenge my thought processes.

Other colleagues in the same profession, with whom I have engaged in conversation about a values-based approach to selling, include Mercuri Institute, a global sales training company, Summit Group, our partners in the USA, and Xperion, a small UK-based sales company.

### **3. Third Person Research Practice – The 'Them'**

Torbert (2001) describes this as being 'the leadership of an organisation creating organisational conditions where more and more members join voluntarily in third person leadership and in the third person research/practice of 'distributed leadership'. As a CEO, therefore, I am in the Third Person Practice. Involving the entire company in the debate and discussions on Values has been part of my research approach. Therefore, I have had to consider, perhaps more laterally, who my leaders are. I consider two communities from my Third Practice inquiry.

The first is a community of people who make purchasing decisions, i.e. customers of sales people, and could include procurement managers, CEOs, or board level executives, and Figure 5.2 describes some of the roles that could be included in this category. Customers are the reason for this dissertation. They have been my leaders in the sense that they have influenced my thinking and actively encouraged this journey to have happened. Their critical view of the performance of sales people has initiated my research and, ultimately, they are the best judge as to whether emerging findings and new models meet or exceed their expectations.

The second community comprises the professional organisations. These include the Strategic Account Management Association (SAMA), the world's largest non-profit professional organisation representing key account managers and global account managers, and Singapore's Institute of Management. Both bodies have provided us with a platform to share ideas emerging from the research. This second community also includes universities and professors with whom I have engaged. An example of linked academic research can be observed through the research of two executives of Hewlett Packard's pursuit team. Their Master's dissertations into the area of Innovation in Governance, and Due Diligence relate to creating constructs for 'proactive creativity' and 'transparency' topics that were influenced by discussions we had together.

A recently published article in SAMA's magazine is the result of a collaborative approach, where emerging results from my research were linked with Hewlett Packard's experience of selling large deals, and the views of Professor Hennessey, an author on Global Account Management. (See Annex 2 – Winning Large Complex Sales Opportunities at Hewlett-Packard Co.)

#### **How I used the Action Research approach?**

Jean McNiff explained that, to conduct action research, you have to establish first your values. I was intrigued with this question as I had never attempted to understand my values before. My research on values started with defining the values of customers, as observed through re-evaluating the many transcripts, but this time with a 'values' mindset. This is an extract from my Learning Diary in 2006.



18th August – 'Need to think of values – what values do I have for global account selling?' Early origins of themes started to emerge in further learning diary extracts from the 18th which included: 'customers don't like to be sold to'; 'importance of innovation – that you add some sort of intellectual added value'; 'intelligent enquiry'; 'be bold – believe in yourself and the capabilities of your company'; 'be a leader, act as if you are the conductor of an orchestra'; embrace 'cultural diversity; be culturally neutral, have total cultural tolerance'; and 'ambassadorial'.

As customers described what they wanted of sales people, Libby and I considered what values a sales person would require to meet the customer expectation. This process of reflection occurred between 2006 and 2008. The Findings (Chapter 6) show how our thinking has developed over time.

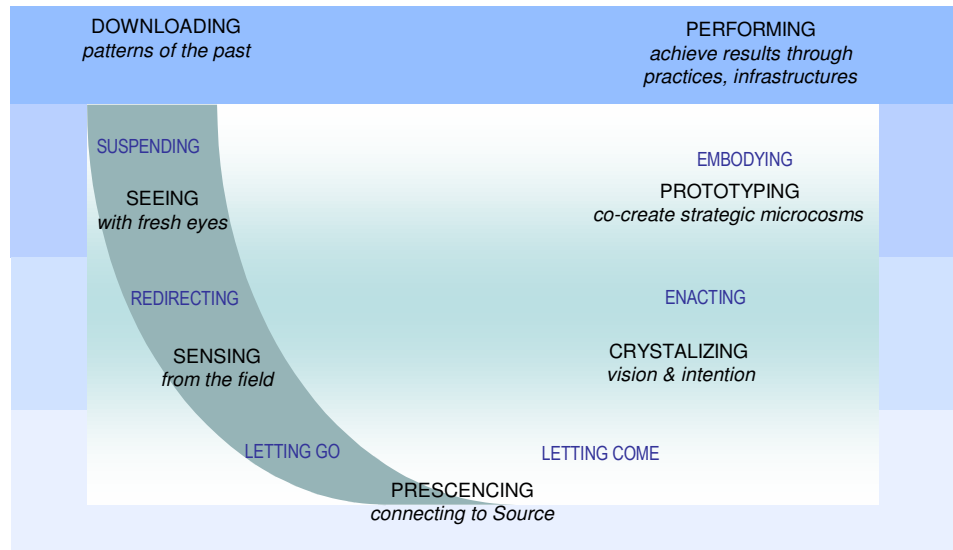
It was relatively late in the process when I started to reflect on my personal values and I did this by reflecting on the pivotal moments in my life, observing how I behaved in those circumstances. Then, I considered less pivotal episodes in my life to understand some of the more subtle indicators of values. Finally, by contrasting my personal values with the values customers desired of sales people, I was able to reflect on their alignment. I believe this approach adds legitimacy to my research findings.

The legitimacy of Action Research has been questioned: 'the issue of identifying appropriate standards for judging quality was a sticking point' (Whitehead & McNiff, 2006, p.11). As action research uses first person inquiry, some have questioned whether the researcher can maintain a value-free perspective. The very fact that the action researchers are involved in writing about themselves means that they have become involved. This is counter to Elliott's belief that the researcher should have a spectator perspective.

In my case, first, I acted as a spectator by considering values from a customer perspective. This provided me with a framework to live the values that would ultimately lead to sales success. By living the values sought by customers, I have been able to evaluate whether this new approach is aligned to my personal values. I have been able to question how the process feels, i.e. do I feel authentic with this approach?

### ***5.4 Strand 3: The Reflective Process – How I Think***

Scharmer's (2007) Theory U helps me describe the reflective cycle I have gone through in approaching my enquiry – see Figure 5.3.



**Figure 5.3: Scharmer's Theory U**

As has been described earlier, my research from 2004-2006 was conducted with a 'Competency Mindset' and I 'sensed' that this mindset was not helping solve the problem of sales force effectiveness. Based on McNiff's presentation, I decided to 'Let Go' of the Competency Mindset and explore how a 'Values-Based' Mindset might explain the reasons for poor performance. The next Chapter (Findings) describes how I have formed new theories ('Letting Come' and 'Crystallising') as to the reasons for poor performance based on Values, and how I have tested and validated these theories (Prototyping and Embodying) through working with a community of key account managers and through my own application of a values-based approach with both our existing and new customers.

Whilst I have defined Reflection as Strand 3, my next Chapter (Findings) starts with a reflection on personal values, as I have wanted to define, at a personal level, the construct of lived values. This process has enabled me to reflect on the empirical research and action research with new mind.

Later (in the Conclusions Chapter), I will revert to the diagram in Figure 5.3 to summarise how I have developed new thinking based on my research approach.

Action Research encourages the use of learning diaries. I have kept a learning diary and used this to make notes of key learning which has been integrated into case studies.

The Findings (Chapter 6) include six case studies. These case studies describe the context and application of a values-based approach to selling. Three of the case studies are based on the

reflections of sales case studies lived by other sales people. The other three case studies are based on the reflections of my personal sales activities.

*The Hewlett Packard and Starbucks Case Study* is a story based on interviews I conducted with employees from both companies and shows the role that values played in concluding a contract between the two companies. This case study was to be pivotal in determining the final values construct for positive lived values.

*The Hewlett Packard and Anglo-American Case Study* describes how the pursuit team won a large deal, and studies evidence of lived values of the pursuit team. This deal was one where the sales team had no prior relationship with Anglo-American.

*The PIC Case Study* is based on research where they had an existing relationship with a large retailer in the UK. Through complacency, PIC came close to losing all relationships with that client, and the case study describes how its account team used the values-based approach to try to win back trust.

*The Zurich Financial Services Case Study* describes how I have attempted to use a values-based construct to develop a new account from a position of having no relationship before.

*The SingTel Case Study* describes how Consalia used a values-based approach to develop a new client in Singapore. It examines the applicability of the approach in a different cultural context and in a consumer environment.

*The Abbey Case Study* describes how Consalia won a significant contract through a collaborative, values-based approach with its shareholders and Middlesex University.

## **5.5 With Whom I Have Engaged to Provide Critical Feedback**

I refer to Jack Whitehead's article (1998) in which he refers to Lomax, who points out that a major difficulty, in relation to the standards of judgements applied, is in who is competent to judge. In addition, Eisner (1993) also noted that those involved in assessing research should have relevant experience of the topic that is researched.

Therefore, I have included four DPROF learning stakeholders who represent a number of critical communities and who have provided me with critical feedback and helpful advice during my dissertation:

- Customers
-

Customers provide guidance on the values they seek from sales people and in providing the sharpest assessment as to whether I was practising the values that I believed were important to building sustainable relationships.

One of the first people I video interviewed was Bob Frosell, then the CIO of IMS Health. He has moved on now to America where he is working for AC Nielson as CIO of their global IT strategy, and is working with IT suppliers to deliver global IT solutions. Bob is a stakeholder in my DPROF dissertation. He is a representative of the customer community.

– Global Development Community

I have a network of contacts that are responsible for global training and development programmes. This community has provided training and development perspectives and shared insights on the transferability of values across different cultures. Bill Stephenson (Hewlett Packard's Global Centre) has reviewed my approach and is a 'stakeholder' in my project.

– Academics

I have worked with Professor David Hennessey of Babson University, USA, and Professor George Yip of Cap Gemini, who could both provide insights from the work they are doing on global account strategy that, I believed, would be helpful. Both have written books on Global Account Management that have helped to further my knowledge in this area. David Hennessey is a 'stakeholder' in my dissertation.

– Global Account Managers and Key Account Managers

I have worked with Global Account Managers who are, like me, practising global account selling. Roger Scarlett-Smith, now the General Manager of GlaxoSmithKline (GSK), USA, but who has held positions with GSK's global marketing department and with responsibility for sales in Australia and the South Pacific, is also a 'stakeholder' in my research project. He represents the sales community.

By involving experts from these four critical communities, each of whom provides a different perspective, I have been able to cross-reference my research findings. They have been very helpful in challenging and shaping my findings.

## **5.6 *Ethical Approach***

It is important to note that, in the case of Hewlett Packard, we have gained permission from their publicity officer to use them as a case study.

Interviewees who were interviewed by video were invited to see final transcripts of the video to check they were happy before the videos were published for training and development purposes. Those who took part in Forums to debate effectiveness of selling did so knowing the intent and purpose of the Forum.

One of the case studies described in the next Chapter (6, 7.3), was deemed commercially sensitive, so the company name of both our client and our client's client have been changed to respect confidentiality.

Copies of "permissions to be quoted" can be found in Annex 3 – Permissions to be Quoted.

## CHAPTER 6: FINDINGS

The fold-out chart in Table 6.1 captures 'Pivotal Moments in my Reflective Journey'. What follows is a detailed narrative describing those pivotal moments. The period of my inquiry from 2002 to early 2006 has been summarised in Chapter 2, Setting the Context and Focus of my Dissertation; however, the concept of Pivotal Moments is new and based on reviewing my learning from a values perspective.

### ***6.1 A Personal Reflection of Lived Values***

This section introduces emerging references to relational values made by customers, particularly in the context of partnership and marriage, and how metaphors to marriage prompted me to explore my values as they related to my marriage. The results of my reflections enabled a deeper understanding of the notion of lived values and, thus, make me better informed to discuss and evaluate lived values constructs for sales people.

At a meeting in Palo Alto, USA, in January 2007, Steve Huhn, the Vice-President of Sales for Hewlett Packard and responsible for their outsourcing business, explained that, on reflecting on their 'win-loss' reviews, there were four key factors that influenced whether a deal was won or lost. These were:

1. Relationship – a supplier needed to have the right relationships with the right people.
2. Innovation – a supplier had to develop a creative/innovative solution. Those that addressed the client's business requirements more creatively or added some tangible business value beyond what was required or had been asked for, stood a better chance of winning.
3. Price – a supplier had to be within 10% of its competitors.
4. Evidence – a supplier needed to be able to demonstrate that they had done this type of 'deal' before.

Of these four factors, 'Relationship' was, in his view, the most important factor. If the relationship was right, then a customer would try to help you win the business. Relationships were not just about how well you get on with people. It was also about the innovation you put in to your proposal and how well it addressed their business needs.

Input Data - One on One Interviews										How Can a Client-Centric Values Approach to Selling Lead to the Co-Creation of a New Global Selling Model?		Application of Theory				
	Date Line	Interviews with Customer	Position	Below 10% of Sales People Meet My Expectations	Very Low Opinion of Key Account Manager	No comment	Interviews with Account Execs	Location Interview	Sector	Global / International	Medium	Pivotal Moments in My Reflective Journey				
Competency Mindset	2002	1 IMS Health	1 CIO	1				UK	Pharm	Global	Video	Reflecting, Letting Go, Letting Come, transitioning from Competencies to Values, Emerging Ideas, Struggling to find a Framework, Emerging Importance of Values	The spark that ignites an enquiry			
	2002	2 Vodafone	2 CTO	2				UK & Germany	Telecom	Global	Video					
	2002	3 Standard Chartered Bank	2 Board Director		2			UK	Bank	Global	Video					
	2004	4 Roche	2 CIO		2			Mexico	Pharm	Global	Video					
	2004	5 Starbucks	Marketing Director, CIO, 3 New Ventures Director	0	2	1		USA	Retail	Global	Video					
	2004	6 Celcom	CIO, Customer Relationship 3 Manager		1	2		Malaysia	Telecom	Local	Video					
	2004	7 SingTel	1 VP Customer Satisfaction	1				Singapore	Telecom	Global	Video					
	2004	8 Hewlett Packard	KAM account managers			12		USA	IT	Global	Video					
	2004	9 BT				2		UK	Telecom	Global	Forum					
	2004	10 WPP	1 Procurement Director			1		UK	Professional Servi	Global	Forum					
	2004	11 Shell	General Manager			1		UK	Chemical	Global	Forum					
	2004	12 IBM	Global Account Manager			1		UK	IT	Global	Forum					
	2004	13 Unysis	Head of European Sales			1		UK	IT	Global	Forum					
	2004	14 C&A	1 Trade Director					UK	Retail	Global	Forum					
	2005	15 Orange	2 Procurement Director	0	2			UK	Telecom	Global	Video					
	2005	16 MFS	1 Managing Director	0		1		Russia	Telecom	Local	Video					
	2005	17 Dangaard	1 Managing Director	0		1		Denmark	Telecom	Global	Video					
	2005	18 Megatel	1 Managing Director	0		1		Italy	Telecom	Local	Video					
	2005	19 Elsjop	1 Procurement	1				Norway	Retail	Global	Video					
	2005	20 Telefonica	1 Head of Sales	0		1		Spain	Telecom	Global	Video					
	2005	21 Siemens	1 Head of Sales			1		Germany	Telecom	Global	Video					
	2005	22 Dutch Mill	General Manager, Marketing 2 Director	0	2			Thailand	Manufacturer	Local	Video					
	2005	23 Gerber	1 Operations Director	1				UK	Manufacturer	Local	Video					
	2005	24 Lacnor	General Manager, marketing 3 Director, Plant Manager	1	2			UAE	Manufacturer	Global	Video					
	2005	25 Valio	1 Marketing Director		1			Finland	Manufacturer	Local	Video					
	2005	26 C&A	1 Buying Director	1				UK	Retail	Global	Audio					
	2005	27 MFI	1 Procurement Director	1				UK	Retail	Local	Audio					
	2005	28 Rolls Royce	1 Procurement Director	1				UK	Manufacturer	Global	Audio					
	2005	29 Lsi Logic	Head of Sales			1		UK	IT	Global	Audio					
Values Mindset	2006	30 Lloyds	1 Innovation Director	0	1			UK	Bank	Local	Video	Validating, Reflecting, Repositioning, Fine Tuning	Notion of (Personal) Lived Values Emergence of Positive and Limiting Values Simplifying the Positive Values Emergence of Tactful Audacity	Hewlett Packard	Coaching 'Them'	Personal- The 'I'
	2007	31 Aon	1 CIO	0	1			UK	Insurance	Global	Video					
	2007	32 Zurich Financial Services	1 CIO	0	1			Swiss	Insurance	Global	Video					
	2007	33 ABN Amro	1 Head of Asset Finance	0		1		Dutch	Bank	Global	Video					
	2007	34 AC Nielson	1 CIO	1				UK	Services	Global	Audio					
	2007	35 Invensys	Global Account Manager			1		USA	IT	Global	Video					
	2008	36 Cargill	Trade Director, Legal, Property Director, Group Finance Director, Head of Internal Audit, Category 16 Manager, Trade Finance	0	16			UK	Retail	Local	Audio					
	2008	37 Boots	Finance, Finance, Trade, IT, 5 Procurement			5		UK	Retail	Global	Audio					
	2008	38 Woolworths	Finance, Trade, Finance, 4 Finance			4		UK	Retail	Local	Audio					
	2008	39 Littlewoods	2 Finance, Finance			2		UK	Retail	Local	Audio					
Action Research - Living Theory																
Coaching 'Them'																
Personal- The 'I'																
Hewlett Packard																
PRGS																
ZFS																
Abbey Bank																
SingTel																

Table 6.2 shows some references from my interviews with the Marketing Director at Valio, the Global Procurement Director at Orange, and the CEO at Dangaard, where they referred to relationships and partnerships, and where the importance of values started to emerge.

**Table 6.2: Customer references to relationships and partnerships**

Customer	Emerging values
<i>'We want that the relationship with our supplier and Valio is very close' ... 'Partnership – Sometimes people think that it's enough you have a paper that you are partners ... You really have to work closely to be a partner.'</i> (Marketing Director, Valio (a Finnish company).)	Here the emphasis is on 'close' and 'partnership' – it is not enough to pay lip service to a partnership, it must be grounded in 'trust' and hard work with both parties working together towards a common goal.
<i>'Relationships in the past have been competitive, now we have realised and suppliers have realised that isn't a way to form a partnership and by partnership where you try and develop the supplier to create market share.'</i>  <i>'Emotion does drive business decisions. It's the affinity with the supplier, it does influence the business' and the consequences are if there is no 'trust' and 'you do not share information', that it 'does hurt the business'.</i> (Global Procurement Director, Orange.)	Again, partnership and trust are mentioned and transparency has been highlighted.
<i>'I actually want a marriage where you express that you are faithful where you will be together till you live any more; where it is predicable what you do; where it is transparent what you do; where you can count on that what you say today also counts tomorrow. You need to build a partnership but I think that times are over where you abuse relationships because then you will not be able to do business tomorrow again. You need to build up relationships which are long lasting and you don't do that if you screw up your partner basically sorry the language.'</i> (CEO, Dangaard.)	Here is a very strong reference to marriage. The values for marriage are similar to values for supplier/customer relationships. The concept of partnership and marriage is also made.

Given the references by customers to the importance of partnership and the metaphor to marriage, I concluded that it was worth exploring in depth the values through which my marriage with Louise is lived. By understanding these, I hoped to gain clarity in understanding the values that underpinned the 'them', i.e. customers as they described their expectations in terms of partnership and marriage. In addition, I obtained deeper insights into my values and understood the significance of lived values.



### **Values that Underpin our Marriage**

As mentioned in the Chapter on Research Methodology, I use Otto Scharmer's (2007) reflective process of 'letting go' then 'letting come' to evaluate values that underpin our marriage. I realise that, as I write this, I am opening up to something that is quite personal and I feel vulnerable in exposing my feelings and opinions in this way.

In blind faith, therefore, that positive will come of this process, I proceed. These are my values as they relate to our marriage.

A marriage should allow both husband and wife the 'space' to develop themselves as individuals as well as to 'co-develop' together as a team.

'Let us remember that space is never empty. If it is filled with harmonious voices, a song arises that is strong and potent. If it is filled with conflict, the dissonance drives us away and we do not want to be there. When we pretend that it does not matter whether there is harmony, when we believe we do not have to "walk our talk", we lose far more than personal integrity. We lose the partnership, a field-rich space that can help bring order to our lives.' (Wheatley, 1999, p.57.)

By allowing 'space', both can develop their interests and skills within the practical context of what is required to bring up children, and in an environment which is supportive and trusting, and where all can flourish. Sacrifices are required in order to accommodate this approach. From 'time to time' and perhaps dictated by circumstance, one of the parties could find themselves in a situation where they have the opportunity to develop themselves in a particular way. Thus, the idea of 'co-developing' needs to take into account the fact that one of the party may support the other as they go through a particular change or development of themselves. When both develop in a similar fashion and at a similar rate then a sustained and happy relationship will follow. It has been our belief and, therefore, value that allowing one's soul mate 'space' is the ultimate test of loyalty and love. However, this approach is not without risk and requires deep trust. One needs to accept the consequences that such a process can take and realise there are times – pivotal moments – when circumstances are such that one's core values are being tested to the full and the process can be quite painful.

Later, I refer to the fact that values are most tested in times of crisis or temptation. I start to consider to what degree does temptation cause a sales person, when closing a deal with a customer with a large commission cheque at stake, to lie to sell his product, or cause a manager, in trying to save his company from bankruptcy, to commit fraudulent acts of accounting, as was the case with Enron and Siemens and, very recently, Satyam.

I shall describe such a pivotal moment later, but first, I shall share three examples of how, throughout our relationship, we have allowed each other 'space' to develop, and will explain how this has helped strengthen our relationship. I also refer to the tsunami experience that has influenced our values. Later, I shall explore whether the values as developed within the context of a marriage can be used to build long-term, sustainable relationships with customers.

(I reflect on the concept of 'space' and consider how this concept can be applied to the sales process and how, in traditional sales courses, sales people try so much to pressure customers into making decisions.)

### **Pre-Marriage**

Early in our pre-marriage era, my wife, Louise, knew she wanted to marry me. I was not ready for this and, in fact, had often questioned the value of marriage. Rather than break up the relationship, we agreed, with some pain, that she would go to America for a year to pursue her nursing career overseas, whilst I had the 'space' to develop a new career, buy a house, and come to terms with the idea of marriage. This was high risk for both parties. Each had the freedom to pursue other relationships, which I did, and to develop other interests, i.e. travel abroad that might or might not have included the other.

Happily, this 'space' allowed us to develop our relationship without the restrictive, claustrophobic closeness of being together and resulted in our determination to be married, which happened some 18 months later. Distance helped sharpen our perspectives; time allowed us to achieve some personal goals. Testing other relationships and seeing the distress it caused us, made me realise how I valued my relationship with her. Throughout this period, we had communicated constantly and had been open about what we felt and did. This transparency, though at times painful, created trust. We had tested our relationship to the limit, explored its boundaries, and come through stronger both individually and as a 'team'. Perhaps obviously stated, trust is the foundation of all relationships. From my being a milkman through to being CEO of Consalia, my wife has never questioned my intent or actions. She has allowed me the space to pursue risky ideas and stood by when things have gone wrong.

In later years, and having brought up our three children, Louise, who had given up nursing, decided she wanted to develop a new career and chose to become a textile conservator. This required her to undergo a three-year, full-time, post-graduate course. This meant my having to take on extra responsibilities at home, accept the fact that she had to work most weekends on her studies and also slow down the commitments I was making at work – my career put on hold as she developed hers. We all had to make sacrifices. This space enabled her to develop a new career and, as such, gained much needed self-confidence and self-esteem. Allowing one's

partner 'space' means that one has to take a rather unselfish approach; fully accept that life is going to be difficult for a period of time, in the belief that self-development is a worthy goal and ultimately will benefit both parties. Evidence of her self-development has meant that now, some 10 years later, she has become a world expert on conserving Islamic textiles, which has led, in turn, to some rather unexpected experiences that I shall reflect on shortly.

### **Current Period**

Most recently, she was given the rather unique opportunity to be part of the opening of a very important and prestigious new museum in Doha, Qatar. This meant her working for extensive periods of time in the Middle East – returning to London for short periods to reconnect with the family. The experience of living in an Arabic country was very challenging; she worked with an organisation that was truly chaotic and, at times, unethical in the way it treated its employees. She also had to sort out her own accommodation and cope with being separated from her family, whom she missed very much, in a very male dominated society. However, she worked there knowing that she could come back at any time. Whilst she missed her family, she enjoyed the freedom of not having the responsibility of looking after the family. She had her 'space' to do what she wanted. She had the chance to explore a new culture, meet different and interesting people from all over the world, and enjoy difference.

This came at a time when our children were leaving home and/or doing important 'A' level exams. Once again, some 10 years later, I found myself the principal supporter of the children. The house felt empty and we missed each other hugely. However, the excitement of the opportunity, the rich experience of living in another country and the work itself as a development opportunity was too good an opportunity for Louise to miss. For me, I have had the unexpected benefit of getting closer to the children and, whilst learning new domestic skills, have developed an appreciation of how Louise has supported the family over the years. The separation has been beneficial. We really enjoy new experiences and pushing the frontiers. We have grown closer as a result of having a more distant relationship, though at times this has been tested.

The 'closer' you are (as a family) the more 'space' you can allow (the family) – 'trust' is the foundation value that makes this possible, although sometimes this is tested.

### **Pivotal Learning Experience**

Whilst Louise was in Doha, she developed a 'friendship' with a mutual friend. Louise described it as 'beautiful', that they had some kind of connection that was quite 'rare', she was able to talk with him quite 'freely and about anything' and the fact that 'Mohammed was from a different culture made it all the more intriguing'.

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It was from this point that our relationship was to be tested, our core values revisited, and we had seemingly endless discussions about intent, friendship, trust, space and moral standards. It is moments like these that enable you to develop very clear perspectives about relationships and to examine in significant detail one's values. As the tsunami experience enabled deep reflection and then significant self-development for us both, so did the 'Mohammed' experience.

I believe that throughout our lives, we meet people, with whom we have an attraction and where a relationship can be developed, and that these relationships can exist outside of marriage – in most cases, these remain platonic. However, there is much evidence to see that oftentimes one of the partners in a marriage take the relationship further. What governs our actions? Our actions are governed by our values.

Louise still wanted to hold on to the notion that we had got it all wrong; that it was possible to keep a purely platonic relationship with Mohammed; that Mohammed would respect her and would do nothing to upset the relationship. Was she being naïve? In my case, I became very suspicious of Mohammed; I questioned deeply his 'values' but wanted somehow to preserve the relationship with him. After all, he was a good friend; he was very fond of my parents and was a good contact for Louise to have in Qatar.

However, I wondered if my reactions were born out of jealousy. I felt that Louise had taken advantage of the 'space' that I had allowed her by encouraging the relationship with Mohammed to develop, and whilst she complained about the loneliness and difficulty of living in another country, in fact this was quite liberating. She was developing her career whilst I now had less time to devote to my business and my doctorate with looking after the home. I felt that she had crossed a boundary in developing this relationship with Mohammed but realised that she had not yet seen it as such. All of these negative emotions I felt had to be contained as, in spite of all our conversations on the topic, I was not 100% sure then if I was simply being jealous with no real justification for being so, or whether I had every right to feel the way I did.

It is interesting to refer my personal story to some of the comments made by those I have interviewed. The CEO of Dangaard said, 'You need to build up relationships which are long-lasting and you don't do that if you screw up your partner basically, sorry the language.'

Throughout this episode, Louise has been totally transparent and honest in her actions and her feelings – she could have dealt with the Mohammed episode quietly and on her own but she chose to share it with me. As the CEO from Dangaard said, 'where it is transparent what you do.' The CEO from Dangaard also used the word 'predictable'. I feel that the insights Louise and I have of this episode have made us feel, of each other, more predictable. Louise has insights to the hurt I felt (rightly or wrongly) and, therefore, would not want to do that again. She respects

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my boundaries. In my forgiving Mohammed, I, too, allow Louise to keep her relationship with Mohammed. This reflects my belief that now having explored the boundaries of our relationship she, too, will act predictably.

The Marketing Manager of Vodafone referred to the habit of conversation. The endless discussions we had have certainly enriched our relationship and taken it to a new level. It is true that you also need to work at a relationship; as the marketing manager of Valio said, 'You have to work closely to be a partner.'

Orange's procurement director referred to the fact that 'emotion drives business decisions' as well as personal ones. Perhaps I had reacted unrealistically to Mohammed and had become subjective, my emotions getting the better of me. Whether right or wrong, it certainly influenced my opinion of him and it will take time now for us to rebuild our trust. It is important, therefore, if you value a relationship that you respect the boundaries, whether you agree with them or not. In Mohammed's case, he did not appear to consider and, therefore, respect my boundaries, and it was only when Louise pointed out to Mohammed the problems that this was causing me, that he responded to me. She had to do this twice before he then wrote to me.

There is no doubt that this episode in our marriage life has been extremely positive and that, as Louise left once again for Doha, we both knew that our relationship was stronger than before. We have both had a chance to explore its boundaries. Rarely before, if ever, have we examined our relationship in such detail and from so many different perspectives. Through this process, we have attained new and multiple levels of consciousness of what matters to each other. This has also led to huge respect for each other. Our values have been deeply questioned and reflected upon. We have debated the value of communication, i.e. would it have been better if Louise had not told me what was going on and dealt with it herself, and avoided the pain it caused? This highlighted the importance of transparency, and, finally, on my part (Louise was ahead of me on this), learnt forgiveness. By wanting to retain the relationship with Mohammed, we have managed to create a situation where we can all develop that 'beautiful' friendship, as Louise described it, knowing where all the boundaries lie.

I can see that 'temptation' and 'crisis' are two challengers of lived values and help to clarify to what degree you live by your values. On our part, this 'crisis', as has been explained, led to both a great clarity of our core values and a strengthening of these values.

The CEO of Dangaard likening a strategic relationship to that of a marriage, that Principles of Trust, Transparency, Communication, and Space, all apply. Superficially, we can all claim to have certain values and, to a large extent, we live them. What I have learned is that values are really tested in periods of crisis or temptation. Without the chance of deep reflection, it is difficult

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to understand what your true values are. Extreme points/experiences, pivotal moments, help to clarify values.

This process of introspection helps to understand the link between values and behaviours. Values are hidden. They are in our mind and they govern how we act. Others evaluate values through action. As Raz (1999, p.19) puts it, 'Activity is related to the proper functioning of the processes which govern our mental lives, our beliefs, our moods, emotions and desires.' He goes on to say (1999, p.19), 'We are ourselves as long as we are responsive to reason.' Mohammed suggested to Louise that their 'special' relationship be 'compartmentalised' – by giving their relationship a boundary he inferred that it was OK to pursue two relationships in parallel. What happens within (i.e. the activities) the boundaries is OK and is not known to those outside the boundary. It would acquire its own sense of reason. As Raz (1999, p.19) says, 'What counts is not the justification or the rationality of our view, but the view itself.' By examining our personal journey, I feel better qualified to understand how values are grounded in belief systems, and appreciate these are unique to each individual. Ontology is important and relevant. Mohammed lives by his set of values and, with his reason construct, they are entirely valid – they are grounded. My values, as it comes to defining relationship boundaries, are different – it is difficult to be non-emotional when having to deal with conflict where values are in conflict. However, I can see that, with patience and self-control and respectful that people have different values, it is possible to maintain relationships in the most testing of times. The fact that Louise and I share the same values has meant that our relationship is intact and better grounded than before.

This suggests that, in the case of customer-supplier relationships, values alignment is key to developing partnerships. Where values are misaligned, relationships break down. My personal reflections suggest that lived values become clearer in moments of crisis or temptation. What is also important is being able to understand one's lived values. In my case, I have used 'pivotal' moments as reflection points to understand my lived values. Everyone will have examples of where they have been tested, from which they can assess their lived values. Once these are understood, one can understand and predict behaviour. I know, for example, as a result of the tsunami experience I will put my own life at risk in order to save my family. I feel liberated knowing that, in a future similar situation, I would behave in the same way, without a moment's thought. Lived Values are a predictor of behaviour.

Whilst the citations from interviewees make reference to marriage and partnership, it became clear that we could review the transcripts of all the interviews to assess both what values customers were looking for from sales people, and what values they did not appreciate.

## **6.2 Emerging Perspectives of the Values Customers Want of Sales People**

On 23rd August 2006, I discussed the concept of values with Libby Drake, Consalia's research and learning design consultant.

We reverted back to the interviews to search for perspectives on values. It is not just what the interviewees said that is interesting but also to be able to observe the depth of feeling with which they describe what works and does not work for them. (See Video 3 – Account Management and Partnering.) I remind myself that those interviewed were often working at the highest levels in a company; they had taken time out of their busy schedules to be interviewed by me and go on record saying how they want to be sold to. These executives certainly cared about what they valued. In describing what they liked and disliked about sales people, I noticed they referred, in many instances, to values. In a relationship between a supplier and a customer where there is a misalignment in terms of values, contracts are not signed and relationships end. As we have already seen, one interviewee said, 'supplier and customer relationships are like a marriage – where there is no trust the marriage ends.' Another said, 'Don't give me the bullshit about yours being the best of breed, it's what the business requires that is the most important.' He later went on to say, 'If I ever find you are keeping suppliers away, from then, that's it, you destroy the trust, that's the end of the relationship.' Here you can see the connection between 'value' and 'values' – 'what the business requires' being the value and 'trust' relating to values. The importance of values can be seen from the following news release extract.

*'The decision to snoop on people as part of the leak inquiry in 2005 and 2006 has thrown HP into disarray. Patricia Dunn, its chairman, said last week that she would step down in January, apologising for "certain inappropriate techniques" that were used. She said the inquiry was carried out by "third parties" who used methods that "went beyond what we understood them to be".*

(Source: [www.guardian.co.uk/technology/2006/sep/21/news.newmedia](http://www.guardian.co.uk/technology/2006/sep/21/news.newmedia))

To compound matters, Steve Smith, another boardroom executive, was put on gardening leave as he was found to have distributed a highly confidential document obtained from a new recruit from IBM to his five direct reports for review. What does this type of senior level behaviour signal to both customers and employees? This investigation wiped out years of work in creating the ethical organisation. The implications were huge. Employees further down the hierarchy questioned the ethics of not just the top management but also those who report to the managers.

### 6.2.1 Emergence of Positive Values – Values that Customers Want to See in Sales People

The first iteration of developing a values framework happened in the early autumn of 2006. We reviewed transcripts of interviews conducted between 2002 and 2005 and selected sections of dialogue in order to assess the values that customers said they wanted from sales people. (See Annex 4 – Positive Values Reflected in Statements Made by Customers.)

From this, we summarised the frequency of values expressed (shown in Table 6.3) in order to obtain a sense of relative importance.

**Table 6.3: Summary of Positive Key Values Indicated (September 2006)**

Customer focussed	13	Humility	2
Dedication	10	Unpretentiousness	2
Desire to fully understand customers' business	10	Manage resources in own company	2
Investigative	9	Trust	2
Collaboration	8	Integrity	2
Honesty	7	Professionalism	2
Non-pressurising	6	Enthusiasm	2
Proactive in approaching customer with ideas	5	Loyalty	2
Innovative	4	Friendliness	1
Identify best people/resources in own company	3	Resourcefulness	1
Inventive	3	Flexibility	1
Attentive	3	Strong work ethic	1
Respect	3	Diligence	1
Openness	3	Inquisitive	1
Able to get things done in own company	3	Creative	1
Ethical	3	Coordination	1
Knowledgeable	3		



From this list, we concluded that certain values were very similar, such as 'Investigative' which expressed a similar value to 'Inquisitive'; 'Innovative' and 'Proactive in approaching customer with ideas' and 'Creative' could be grouped; 'Identify best people/resources in own company' and 'Coordination' are similar values; 'Honesty', 'Integrity', 'Ethical' and 'Trust' are also similar values and could perhaps be grouped. Grouping the values enabled us to simplify the list and, thus, it was easier to understand. From the list of 33 values, we ended up with a list of nine key, positive values.

We then produced a further table (see Table 6.4) which provided a more detailed interpretation of the values and listed examples of the behaviours required to live the values. We now had a framework to judge and validate the extent to which the positive values are lived.

**Table 6.4: Value and Behaviour Descriptors (September 2006)**

Value:	Interpretation:	Behaviours:
Proactive Creativity	<ul style="list-style-type: none"> <li>Recognises that clients value creativity highly and that own role is to constantly consider new ways to innovate.</li> <li>Creative thinker. Strives to invent creative solutions.</li> <li>Recognises that creativity is a mindset and relates not only to technical innovation but also to all aspects of the role, for example, the thinking around suggesting solutions to customers.</li> <li>Demonstrates flexibility.</li> </ul>	<ul style="list-style-type: none"> <li>Ideas are proactively put forward to the customer, e.g. "There is something that you might not yet have thought of but because of xyz I think that you might like to explore some new ideas".</li> <li>Ideas presented to customers are creative/innovative.</li> <li>Creativity and innovation is included in the deal making process.</li> <li>Time is spent reflecting on the customer's business issues and what could be offered that would add value to the customer's business.</li> <li>Invitations are received from customers to attend strategic review meetings or innovation workshops.</li> <li>Customers approach and ask for new ideas.</li> <li>Develops processes to ensure that innovation or value review meetings are held to review past projects and plan new ones.</li> </ul>
Passion	<ul style="list-style-type: none"> <li>Cares passionately about the core values and mission of own company.</li> <li>Has energy and a sense of urgency – wants to get things done.</li> <li>Has a genuine belief in the products and services of own company.</li> <li>Positive disposition and a belief that all problems can be solved.</li> <li>Strong work ethic.</li> </ul>	<ul style="list-style-type: none"> <li>Demonstrates enthusiasm and passion. This includes for own company, customer's company and for finding the best solution for the customer.</li> <li>Works the hours and at the times required to get the job done.</li> <li>Is always busy.</li> <li>Everything is geared towards the client.</li> <li>If there are setbacks, is quick to find new solutions. Does not look for excuses but looks for solutions.</li> <li>Is able to discuss targets and has plans on how to achieve them.</li> <li>Knows what actions are required to produce results. Ensures that focus is on doing the right things.</li> </ul>

Value:	Interpretation:	Behaviours:
Collaboration	<ul style="list-style-type: none"> <li>• Believes in building long-term relationships and value-added relationships. Sees this as a win-win.</li> <li>• Works along side the customer in an equal relationship – does not steer the customer to a pre-conceived solution.</li> <li>• Knows when to listen and when to speak up and be heard.</li> </ul>	<ul style="list-style-type: none"> <li>• Establishes relationships both inside and outside own organisation in order to find the best solution for a customer.</li> <li>• Readily engages with C level executives to get buy-in and authority to do things.</li> <li>• Works together with the customer in joint efforts.</li> <li>• Demonstrates a history of relationship building within a client company.</li> <li>• Seeks relationships beyond the immediate key contacts.</li> <li>• Demonstrates loyalty to the customer and the relationship.</li> <li>• Facilitates the development of joint initiatives between companies and partners – co creates joint companies.</li> </ul>
Authenticity	<ul style="list-style-type: none"> <li>• Undisputed credibility.</li> <li>• Does things him/herself.</li> <li>• Factually correct and therefore worthy of trust, reliance or belief.</li> <li>• Authorship is original and what it claims to be.</li> </ul>	<ul style="list-style-type: none"> <li>• Data is represented correctly and not manipulated to prove a particular point.</li> <li>• Is fully conversant with all points in presentations and documentation.</li> <li>• Sources of information are clearly stated on written documentation.</li> </ul>
Cultural Neutrality	<ul style="list-style-type: none"> <li>• Believes in cultural diversity and is fully accepting of cultural beliefs of others.</li> <li>• Does not make value judgements about the beliefs of others.</li> <li>• Respects other cultures.</li> <li>• Cosmopolitan.</li> </ul>	<ul style="list-style-type: none"> <li>• Does not try to force own cultural beliefs on others.</li> <li>• Allows others from different cultural backgrounds to participate fully in conversations.</li> <li>• Actively looks to encourage people from different cultural backgrounds to participate. If participants in a meeting are quieter, looks to encourage their participation by asking questions of them.</li> <li>• Takes personal ownership of communication issues that may arise due to cultural differences.</li> <li>• Adopts a body language that invites openness.</li> </ul>

Value:	Interpretation:	Behaviours:
Client-Centric	<ul style="list-style-type: none"> <li>• Genuinely desires to understand fully the customer's business. Naturally inquisitive.</li> <li>• Has a good understanding of the company direction and issues confronting the customer – gained through investigation and research.</li> <li>• Focuses on customer needs and providing the best-fit solution – not on finding a home for an "off-the-shelf" solution.</li> <li>• Demonstrates diligence and dedication with each customer.</li> <li>• Understands the importance of financial data and uses this knowledge to communicate value of solutions/ideas to customers.</li> <li>• Sensitive to the time it takes to get things done. Realises sales cycle is long for global contracts.</li> </ul>	<ul style="list-style-type: none"> <li>• Researches and identifies the forces affecting the global industry of customers. Has a good understanding of the key drivers and substitutes that could threaten the industry.</li> <li>• Researches the customer's company to gain a good understanding of their financial strengths, key trends, key business drivers, strategic initiatives, projects, value chain and core processes.</li> <li>• Regularly processes a line of intelligent enquiry using the internet and can demonstrate use of data search engines. Sets up web alerts that provide news items that could be of interest.</li> <li>• Customers feel they are getting an original solution.</li> <li>• Demonstrates an ability to reflect on information and form opinions and hypotheses.</li> <li>• Reads books, magazines, analyst reports and government reports on the industry.</li> <li>• Talks to industry leaders and analysts to obtain multiple reference points in order to learn more about the industry.</li> <li>• Constantly attends client review meetings.</li> <li>• Attends briefing sessions and conferences at which the customer presents.</li> <li>• Knows the client's organisational structure and who the key executives are.</li> <li>• Completes up-to-date account plans that record company changes, personnel, product development strategy, key competitors.</li> <li>• Constantly asks questions and listens. Attentive to what the customer is saying, actively listens and demonstrates understanding.</li> <li>• Uses questions in an intelligent way to gather information not only to check or validate information but also to open avenues for new areas of further exploration and validation.</li> <li>• Is available to the customer both on the phone and in person – even at short notice. Leaves internal meetings if a customer phones.</li> <li>• Reads the financial reports and understands how to interpret financial data. Able to construct sound financial arguments using DCF, NPV calculations if so required.</li> </ul>

Value:	Interpretation:	Behaviours:
Integrity / Trust	<ul style="list-style-type: none"> <li>• Open and honest. Does not hide things from the customer or try to cover the truth for own or own company's advantage.</li> <li>• Ethical in all dealings. Strong sense of right and wrong.</li> <li>• Trust and high ethical standards are reflected in all points of engagement with the customer.</li> </ul>	<ul style="list-style-type: none"> <li>• Respects the confidentiality of client information and is found to be trustworthy by others.</li> <li>• Reflects ethical behaviours in verbal and written communication.</li> <li>• Customers never feel they are being pressured into agreeing a sale or agreeing a particular path.</li> <li>• Ensures individuals in the customer organisation are aware of other relationships being pursued/maintained within the company.</li> <li>• Ensures the customer does not feel that information is being withheld.</li> </ul>
Leadership	<ul style="list-style-type: none"> <li>• Recognises that the role is to lead the solution and takes personal responsibility.</li> <li>• Orchestrates resources, including people, in own organisation. Thorough knowledge of the people and resources.</li> <li>• Ambassadorial.</li> </ul>	<ul style="list-style-type: none"> <li>• Proactive in progressing the project and in identifying and solving problems.</li> <li>• Takes ownership and personal accountability for projects, issues and problems.</li> <li>• Motivates parties from both within the company and outside the company to work together to create solutions for customers.</li> <li>• While having a clear vision to create a synergistic and sustainable partnership, is also open to ideas and suggestions from others.</li> <li>• Introduces the resources required – at the appropriate time.</li> <li>• Is assertive in demanding contributions from others.</li> <li>• Organises workshops with relevant parties.</li> </ul>

Value:	Interpretation:	Behaviours:
Perceptive Communication	<ul style="list-style-type: none"> <li>• Understands intuitively the complexities of situations, discussions and human dynamics.</li> <li>• Unpretentious, lacking in ego, does not demonstrate inflated self-image.</li> <li>• Shows respect.</li> <li>• Does not feel the need to be seen as more important or knowledgeable than the customer but is confident in own abilities.</li> <li>• Recognises that questioning has the dual benefit of obtaining information and affecting how the customer perceives the sales person.</li> </ul>	<ul style="list-style-type: none"> <li>• Listens carefully to what the customer is saying and customers feel they have been understood.</li> <li>• Is sensitive to people's needs and requirements at both a business and personal level.</li> <li>• Does not use a high-pressure sales approach.</li> <li>• Ensures the value of an idea has been properly validated before presenting the value.</li> <li>• Demonstrates great subtlety in influencing style by knowing when to push the sales process and when to pull.</li> <li>• Effortlessly converses with company leaders and senior executives.</li> <li>• Demonstrates intelligent questioning.</li> <li>• Appointment making letters avoid stereotyped, headline grabbing statements.</li> <li>• Is as comfortable entertaining as in handling or facilitating negotiations.</li> <li>• Demonstrates respect for property and organisational culture when visiting a client organisation.</li> </ul>

## 6.2.2 Emergence of Limiting Values Observed by Customers of Sales People

In a similar way, we also reviewed comments made by interviewees about the negative values they experienced of sales people. (See Annex 5 – Limiting Values Reflected in Statements Made by Customers.) As with the positive values exercise, we assessed the frequency of limiting key values – see Table 6.5.

**Table 6.5: Summary of Limiting Key Values Observed (September 2006)**

Self focussed	6	Lack of respect	1
Not know customer's business	5	Pitching	1
Hard sell	5	"Bullshit talk"	1
Pushy	4	Untrustworthy	1
Not listening	4	Aggressive	1
No effort	4	Dishonest	1
Short-term focus	3	Unfaithful	1
Arrogance	2	Not understand customer needs	1
No partnering	2	No sense of urgency	1
Sly	2	Not know own business	1
No customisation	2	Lazy	1
Unethical	2	Don't engage	1
Over-promise, under-deliver	1	Biased	1
Lack of responsibility	1	Not solution focussed	1
Lack of accountability	1		

Then, in a way similar to how we created the list of positive values, we made a first attempt at grouping the limiting values in order to simplify the list of negative values – see Figure 6.1.

However, at this stage in our research we focussed more on the positive values than the limiting values as we felt that, by living the positive values, the negative values would not be observed by customers.

### **6.3    *The Hewlett Packard – Starbucks Case Study***

#### **Emergence of Tactful Audacity**

A series of interviews with Starbucks and Hewlett Packard around a specific collaborative deal helped to clarify the role of values in the supplier-customer relationship. This case study helped to identify an important new value, Tactful Audacity. I first tell the story of how a deal emerged from nowhere, and then demonstrate the role values played for both the supplier and the customer in order for the deal to be closed.

This case study, told as a story, was developed as a result of reviewing a series of my interview transcripts from interviews conducted in 2004 on behalf of Hewlett Packard.

#### **How to Get Someone to Invest \$60m in your Company for Free? – The Story**

Starbucks, under the leadership of Howard Schultz, had already made history. By 2002, Starbucks was well on the way to creating one of the world's most recognised global brands. From opening its first store in Seattle in 1995, it now had upwards of 2,000 outlets in the USA, a global franchise network, and was responsible for buying 1% of the world's coffee beans. Turnover was approaching \$3.3 billion.

With many Starbucks outlets in prime locations, it was not hard to work out that you need to sell a lot of coffee to break even. Critical to Starbucks' success was encouraging customers into its outlets, securing higher levels of consumer spend, and ensuring processes were in place to encourage smooth service and short queues.

But where was the differentiation? Why should customers come into a Starbucks? After all, a coffee is a coffee.

This study explains the collaboration, creativity and selling skills that made the deal happen, and the work required to sustain value long-term.

#### **Starbucks' Business Drivers**

Starbucks' intent was not to be a coffee shop but a destination, replicating what was already being achieved in Europe, where the café lifestyle was engrained into local culture. Howard Schultz wanted Starbucks to be the '3rd place'. First place was home, second was work, and third was Starbucks. The concept was to create an environment where people would want to meet.



This had huge implications for Starbucks' strategy. It meant not focusing on quick in-and-out service but creating a place where people could relax – a place that felt like someone's living room, a place where friends could meet. The logic seemed fine until you considered the cost of creating this type of environment. The challenge was how to improve revenue per square foot by increasing customer flow and encouraging people to spend more. It was not enough just to sell coffee, tea, cakes and sandwiches – what more could it do?

Starbucks' top marketing team met to consider potential initiatives to fuel the next stage of the company's growth. It was clear that they had to attract large numbers of profitable customers, individuals who had higher than average disposable income.

But how could Starbucks develop new income streams that did not impact on its traditional core products?

At about the same time, there were some interesting developments on the technology front. Compaq had announced the launch of its first iPAQ, the PDA, and Hewlett Packard and Dell were following suit. The Telco companies were also getting excited about the future of mobile computing, paying huge fees for wireless operating licences. The advent of the PDA and wireless computing meant that business could be done by anyone anywhere – the much aspired-to mobile office of the future was fast becoming a reality. Internet cafes were springing up, but unlike Starbucks, their business model was based on a different concept – they wanted to attract consumers whose primary interest was accessing the internet.

Starbucks recognised the opportunity to introduce wireless technology into all of its outlets. By providing internet access, it would attract the upwardly mobile professional and encourage a higher frequency of off-peak purchases. Business people could have a coffee, check e-mails, go onto the internet, have another coffee and meet clients. Knowing that all outlets were wireless-enabled gave them a place where they could work in relative comfort.

### **Solutions to Drive Growth – but at What Price?**

So, a great idea, but at what price? Howard Schultz called in his new ventures marketing team led by Anne Saunders and Lovina McMurchy, a young Harvard graduate. They realised that the 'cool image' of technology would resonate with their customers as their research indicated that 90% of their customers were online, and 40% had a laptop, PDA or other mobile device. They started to look at what it would cost to have Starbucks outlets wireless-enabled and estimated that the investment would be a staggering \$100 million when all the costs were taken into account. The hardware and services complexity was in installing the hubs, creating new internet

portals, and servicing the solutions. There was the additional collaboration complexity of having to work with both a Telco and a Hardware vendor.

Meeting ROI objectives meant selling huge volumes of coffee. The risk was too high. On one hand, Starbucks wanted to style itself as innovative, cool, high quality and relaxing but, on the other hand, it had to make money. They were wary of the risks involved but were convinced there was a way to make this work. Anne and Lovina firmly believed that other parties would be willing to share the risk – particularly those already in the wireless sector.

### **Audacious – How Starbucks Created its Value Proposition**

The marketing team started to look at why a vendor might be prepared to install this equipment for free. They knew that technology companies were investing millions in new wireless-based technologies. Time to market was critical – not only to generate sales but also to capture the target market group of mobile professionals. Starbucks soon recognised that this was exactly the type of market that it already serviced. It knew from its studies of consumer demographics that there was a close alignment between its consumers and the customers these mobile phone and IT companies wanted to secure.

IT companies understood the business-to-business market but, for many, the consumer market was new. The Starbucks team recognised that they had priceless insights into this hugely important consumer category, insights that the traditional IT vendors did not possess. What value could these companies place on partnering with Starbucks?

This argument on its own may have been sufficient as a value proposition. However, Starbucks' market research department came up with more information that further strengthened the value proposition and gave them higher levels of confidence in approaching potential partners.

Starbucks already knew how many people visited their outlets – 15 million every week. By the time I interviewed the team, the figure had increased to 20 million. What was more staggering is that 55% of these customers visited Starbucks five times a week. Starbucks asked, 'What value would wireless and IT companies place in having their brand and technology in front of 7 million of their target customer group five times a week?' It was clearly a powerful proposition. Starbucks would offer one Telco company and one IT company the opportunity to install their technology throughout their 1,200 US outlets, allowing them access to Starbucks customers. Discussions with potential partners started in January 2001. After developing the value proposition, the marketing team drew up a list of potential partners. Given the strategic nature of the proposition, they asked Howard Schultz, global strategist and CEO, to contact his counterparts in Compaq, Hewlett Packard, Dell and IBM with the initial idea.

### **Innovation in Compaq's Response**

Mike Capellas, Compaq's CEO, was keen to explore the opportunity, and Mark Kryz, Compaq's ESG Regional Director, was charged with developing the strategy and recommending whether Compaq should invest \$100 million in the deal and on what terms. At the time, HP had 3% of Starbucks' IT spend. Incumbent competitors were IBM, Dell, Sun Solaris and EMC. Clearly, there was an opportunity to grow the 'share of wallet'. However, whilst Starbucks was a well-recognised global brand, its total IT spend was quite low compared to other companies. Even so, the team recognised the value of having access to Starbucks' huge consumer base. In addition, consultation with Compaq's colleagues in its personal systems group indicated that the company was keen to develop innovations in the music industry. Mark and his team began to evaluate how a partnership model could work and to define a value proposition that they could take first to Mike Capellas.

Working with some of the emerging technology gurus, they realised that if they were going to get the full value of the relationship, they would need to see what internet innovations were already emerging. For example, downloading music from the internet was one such area to help make the most of Starbucks' potential. Mark also realised that by becoming a type of 'channel', Starbucks could sell Compaq's iPAQ through its outlets.

### **Gaining Confidence**

Compaq's iPAQ and wireless technology products put it at least six months ahead of the competition. In June 1999, Compaq had purchased the Aero 8000, the world's most secure, mobile and easy-to-use, handheld PC. This enabled its personal systems group, in August 2000, to expand the iPAQ line with five new products, including the iPAQ Home Internet Appliance and the iPAQ Personal Audio Player. Mark and his team believed that Starbucks would want to partner with Compaq as it had the strongest technology solutions in this area at this point in time. With some confidence, Mark and his teams' counter-recommendations were:

- To scale Compaq's commitment from \$100m to \$60m (given the strength of their PDA and wireless technology solutions, they felt that this would be sufficient to wireless-enable the outlets).
- Compaq to become the preferred vendor for Starbucks' desktop and servers, and to broaden their services business into Starbucks.
- Compaq and Starbucks would work together to explore other technology innovations.

- Compaq and Starbucks to work together on environmental and social community projects.
- To create joint publicity and marketing arrangements, such as Starbucks becoming a vendor.

However, at an early stage in the negotiations, on 4th September 2001, Carly Fiorina, CEO of Hewlett Packard, and Michael Capellas announced an historic stock-swap merger deal worth \$25 billion, creating the second largest computer company behind IBM. Recognising the uncertainty caused by the merger, senior management of HP and Compaq committed themselves to progressing the partnership with Starbucks by contacting Howard Schultz directly. It helped to secure the deal.

#### **Extract from a Press Release Describing the Deal Brokered Between HP and Starbucks**

On 21st August 2002, Starbucks announced the expansion of a high-speed, wireless Internet service to about 1,200 Starbucks locations in North America and Europe. Partners in the project, which Starbucks called the world's largest Wi-Fi network, included Mobile International, a wireless subsidiary of Deutsche Telekom, and Hewlett-Packard. Customers could now sit in an outlet and check e-mail, surf the Web, or download multimedia presentations without looking for connections or tripping over cables. They started with 24 hours of free wireless broadband before choosing from a variety of monthly subscription plans. The Compaq team – now the Hewlett Packard team – had won the deal!

But did the deal work? What value was created for both parties?

#### **Hewlett Packard – Finding the Right Resources**

Jill Sweeney, Senior Manager, Mobility, working on the Starbucks project said the big challenge was to recruit sufficient programmers to complete the required internal programming. Finding these resources proved challenging but the team persevered and succeeded in creating a programming team, many of whom were based in India, and were able to work around the clock. This team was part of a 'greenhouse project' team led by Roy Pinto (called 'greenhouse' to capture the essence of incubation). As well as challenges on the technology front, there were also problems on the sales side.

### **Tension Between IT and Sales**

The CIO of Starbucks said that, whilst the deal was clearly exciting, the fact that marketing teams had engineered, it meant work was needed to iron out snags at the sales level. For example, when the HP sales force came to meet the Starbucks IT department 'there was a disconnect'. Why? Because the HP sales force expected that, from now on, Starbucks would purchase everything from HP, no matter what the solution was or whether it fitted the Starbucks strategy. As the Starbucks' CIO said, 'the engagement process was bumpy at times.'

### **Hewlett Packard's Response**

Recognising there was a problem, HP developed a 'sell with' and 'sell to' strategy for Starbucks. They realised that they had to implement these strategies with separate teams. Carolyn Anderson was brought in to manage the account from a 'sell to' perspective, whilst Roy Pinto headed the marketing incubation team as Greenhouse Manager for 'sell to' ideas.

When Carolyn came onto the account, she found out that Starbucks had had five different account managers over the previous two years and, as a result, there was absolutely no relationship between HP's sales organisation and HP's procurement and IT department. Significantly, Carolyn found out that the Starbucks IT department was 'fairly negative' towards the alliance – they did not want Compaq and HP technology 'shoved down their throats'.

They felt that HP was not 'relationship-orientated'. Dealing with the politics was one of the most difficult challenges for Carolyn but, after two years, HP had secured all of Starbucks' desktop and laptop business, won consulting revenues, sold HP software, and won some business, for the first time ever, in the retail stores where IBM had dominated before, and sold managed services. In total, HP had moved its share in the account from 3% to 55% over two years. In addition, it had gained a huge amount of visibility for its new wireless capability.

The value created was not one-way. As a result of the wireless technology, secured for minimal investment, Starbucks now had a wireless environment. The following press release extract describes how this environment created value for Starbucks.

### **Value for Starbucks**

'Starbucks' customers have clearly embraced Wi-Fi technology as part of their daily routine,' said Ken Lombard, president of Music and Entertainment for Starbucks. 'The convenience and reliability of T-Mobile HotSpot is bringing customers in more frequently and keeping them in the outlets longer, primarily during off-peak hours. For these reasons, we believe T-Mobile HotSpot

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is having a positive impact on our business and is enhancing the Starbucks Experience for our customers.'

'The T-Mobile HotSpot service at Starbucks is proving to be very successful. With millions of customer accesses since the August 2002 launch, customers are finding that Starbucks is a great place to stay connected to e-mail or the Web while they're away from home or the office. Internal research indicates that T-Mobile HotSpot subscribers visit Starbucks more often – an average of eight times per month – and spend more time in the outlets – the average connection lasts approximately one hour. Nearly 90% of T-Mobile HotSpot accesses are during off-peak store hours, which are after 9 a.m.'

### **Key Learning: What Lived Values Enabled the Deal to Happen?**

**Creativity** is required to differentiate one coffee house for another. Howard Schultz came up with an idea such as the 3rd Place and, with this idea, was able to create differentiation around what was a commodity product, i.e. coffee. The company was passionate about ensuring the correct branding of the stores' environment; packaging, furniture and lighting supported the concept; even the head office reflected the same branding as in the stores. There was a systemic approach. Consistency and meticulous attention to detail were important in packaging a concept. Starbucks' sales growth has reflected the success of their differentiation strategy.

Creative logic was required to find ways of keeping customers in the store longer. Starbucks' concept was the opposite to McDonald's concept of quick service. Sustained growth required constant innovation, market data and a deep knowledge of their customer base.

**Client-Centricity** was a central value to Starbucks. They had to understand their consumer target market in order to create a compelling value proposition. Their coffee was not the cheapest by any means. They recognised the importance of understanding the customer, not in terms of just how many times they bought coffee, but what lifestyle their customers had. This knowledge of the customer enabled Starbucks to understand that their consumers were also users of technology, were mobile, and would value easy access to the internet.

The audacious idea of approaching IT vendors came from Starbucks recognising the power of its brand. **Creativity** was used by Starbucks to develop the idea of creating a wireless environment in the store. **Audacity** was used to suggest IT vendors invest \$100 million over 10 years in implementing the idea in Starbucks' stores. They used their knowledge of marketing-led thought process to sell the value that potential partners had to create. They made sure they spent time strengthening the business case. This case shows that the architects of the deal were not frightened to ask most senior people to get involved. (The fact that Howard Schultz, CEO of

Starbucks, and Michael Capellas, CEO Compaq/HP, were personally engaged in the deal was an important factor in enabling the deal to be finalised.) Peer-to-peer 'selling' worked well. Again, be bold. Be audacious. It took two like-minded companies to forge a deal and a relationship.

A key learning of this case study is that most of the creativity and audacity was driven by the 'customer', i.e. Starbucks. This begs the question, how might the deal have been constructed if Compaq/HP had come up with the idea of Starbucks developing a wireless infrastructure? They might have avoided a tender situation and might have reduced the financial investment. What lived value system must a sales person have to think this way? What mindset would they require? In order for the process to work, the Compaq/HP sales team would need to look beyond their customer (the IT department) and consider what it was that Starbucks needed to do to create value for its customers. If the HP team had considered the value that Starbucks needed to create for itself and the value it needed to create for its customers, i.e. consumers, they could have come up with the idea. Proactively taking the idea to Starbucks would have been impressive.

**Personal creativity** could also be seen from the Hewlett Packard account team. In order to create value out of the deal and make the numbers work, they developed a 'sell through' and 'sell to' concept. They not only wanted to supply the wireless environment but they also saw the potential in Starbucks selling Personal Digital Assistants. HP now mirroring the Starbucks creative culture – this was unusual for HP – reflected the excitement of the new relationship.

Whilst the marketing team was delighted with the deal, Starbucks' internal team of IT were less than happy. Perhaps Starbucks should have engaged with their internal IT department. This reinforces the importance of relationships – stability, **respecting** internal decision-making processes, **transparency**, working to the right values and being **authentic**. For a deal of this importance, the essence of **collaboration** is important as is **sustained innovation**. In creating the Greenhouse team, Hewlett Packard provided a conduit for innovation that has led, in later years, to the co-development of other initiatives such as 'music download'.

## **6.4 Emerging 'Clusters' of Values**

We then listed the nine values of critical importance to clients based on observations made on the interviews – this now included the value, Tactful Audacity. At this stage, it will be helpful to see how, over time, I have reorganised and simplified my thinking – see Figure 6.1.



	Sep-06	Sep-06	May-07	Jul-07	Sep-07	Nov-07	Jan-08	Trust	Apr-08
<b>VALUES CUSTOMERS WANT - Positive and Differentiating Values</b>	Self-Directed Creativity	Proactive Creativity	Proactive Creativity (Outer)	Proactive Creativity	Proactive Creativity	Proactive Creativity	Proactive Creativity		Tactful Audacity
	Passion	Passion	Passion (Inner)	Passion					
	Collaboration	Collaboration	Collaboration (Outer)	Collaboration					
	Authenticity	Authenticity			Authenticity	Authenticity	Authenticity		Proactive Creativity
	Cultural Neutrality	Cultural Neutrality							
	Client-Centric	Client-Centric	Client-Centricity (Outer)	Client-Centricity	Client-Centricity	Client-Centricity	Client-Centricity		Client-Centricity
	Integrity and Trust	Integrity and Trust	Integrity (Outer)	Integrity					
	Ownership and Leadership	Leadership							
	Humility	Perceptive Communication	Perceptive Communication (Inner)	Perceptive Communication					
					Tactful Audacity	Tactful Audacity	Tactful Audacity	Progressive Trust	Authenticity
<b>VALUES CUSTOMERS DON'T WANT - Limiting and Negative Values</b>	Control	Control	Control	Control	Control	Self Centricity	Ego Centricity		Complacency
	Manipulation	Manipulation	Manipulation	Manipulation	Manipulation	Hard Sell	Manipulation		Short-Sighted
	Lack of Respect	Lack of Respect	Lack of Respect	Lack of Respect	Lack of Respect	Customer Apathy	Complacency		Ego-Centricity
	Aggression	Aggression	Aggression	Aggression	Aggression	Short-term Focus	Short-Sighted		Manipulation
	Supplier-Centric	Supplier-Centric	Supplier-Centric	Supplier-Centric	Supplier-Centric				
	Individualistic	Individualistic	Individualistic	Individualistic	Individualistic				
	Arrogance	Arrogance	Arrogance	Arrogance	Arrogance				
	Selfishness	Selfishness	Selfishness	Selfishness	Selfishness				

Figure 6.1: Emerging 'Clusters' of Values



From September 2006 through to September 2007 I began to consider 'clusters' of values (initially on the positive values) and concluded, for example, that if one had a Collaborative Value and Client-Centric Mindset, then a sales person would instinctively seek to leverage relationships from within and without their own organisation to bring value to their client. Thus, the value Leadership becomes a subset of Client-Centricity and Collaboration Values. Implicit in a Client-Centric mindset is the value of Cultural Neutrality. Authenticity and Integrity are closely aligned and I chose Integrity as the lead value. With my colleagues, we also toyed with the concept of inner and outer values (May 2007) – inner values were those that were hidden, and outer values were more expressive through our behaviour. This idea did not last long as all values are inner values, and lived values are expressed through actions and behaviours, so by July 2007 we dropped this concept.

More time was required to think about the idea of limiting values, as the idea at the time seemed to me to be contradictory. I was not convinced, when discussing this concept with sales people, that they would own up to any of the limiting values, even though customers expressed concerns about the values of sales people. Therefore, at the beginning stage of our reflective process, rather than list limiting values, I describe the eight negative behaviours. It was not until November 2007, that we really considered the idea of negative values again. I explain how we arrived at defining the negative values later in the Chapter.

In September 2007, I again simplified the Positive Values reasoning that Authenticity captured not only the moral message of Integrity but also the message of being original, true to oneself, being the author, not being fake.

The Starbucks case study put Tactful Audacity on the Values Framework for the first time. Interestingly, this value was never expressly stated by any of people we interviewed. They used terms such as, we expect you to 'challenge us', from which I concluded that Audacity would be an appropriate value. However, there are some negative connotations with the word. Audacious implies being, perhaps, too brazen, cheeky. Therefore, I applied the word Tact to Audacity – Tactful Audacity – and realised that if one lived this value it would mean that one would be a Perceptive Communicator. Tactful Audacity also captured the essence of humility, not being arrogant, being challenging, being culturally astute, and being relevant. Jean Cocteau (1918, p.49) eloquently defines the meaning of this value in his book '*Coq et l'Arlequin*': 'Le tact dans l'audace c'est de savoir jusqu'où on peut aller trop loin.' (Being tactful in audacity is knowing how far one can go too far.)

Hence, by September 2007, and a year after Jean McNiff's presentation, I had formed a point of view about the four critical positive values required of sales people by customers. These positive

values would act as clusters for the original positive values we had identified earlier in September 2007.

Up to this point in time I had not focussed on the negative values and had realised that what we had identified (Control, Manipulation, Lack of Respect, Aggression, Supplier-Centric, Individualistic, Arrogance and Selfishness) was a mixture of behaviours and values. With my colleagues, we asked ourselves what values would drive the negative behaviours. In November, we established four Limiting Values. 'Self-Centricity' would drive selfish and individualistic behaviour. 'Hard Sell' would drive controlling, manipulation and aggressive behaviour. 'Customer Apathy' would drive supplier-centric, selfishness and lack of respect behaviours. 'Short-Term Focus' would drive manipulation, control and supplier-centric behaviours.

These four negative values were revised again in January 2008. Ego-Centricity replaced Self-Centricity and now encapsulated the essence of being both supplier-centric and self-centric, Short-Sighted replaced short-term focus, meaning only looking for short-term gain at the expense of long-term value creation. Manipulation drives controlling and hard sell behaviours, and Complacency drives lack of passion, lack of creativity, lack of tactful audacity and lack of client-centricity behaviours.

## **6.5 *Behaviours as Evidence of Lived Values***

Once we were happy with the four Positive Values and four Limiting Values, we defined the Attitudes and Behaviours associated with each of these, from which we have been able to validate and judge the extent to which I, and the practitioners with whom I work, have lived these values. For a description of these Outstanding/Differentiating and Limiting/Negative Values, see Annex 6 – Outstanding/Differentiating Values and Limiting/Negative Values.

The final twist in the findings was the consideration of Trust, which I have written about as part of my Literature Research. Between January 2008 and April 2008, I considered how the four Positive and four Limiting Values resulted in greater and lesser degrees of Trust. I concluded that Authenticity and Client-Centricity was the baseline point of entry and by living these values one earns the right to live the values of Proactive Creativity and Tactful Audacity. In fact, customers enable these values to be lived by giving preferred suppliers more confidential information that, in turn, allows these suppliers to be more creative with solutions they put forward. Trust is then broken when customers see suppliers acting with Complacency, and that Trust is completely destroyed when they feel suppliers are manipulating them for their short-term gain. I also refer to the construct of Trust in more detail in my Conclusions Chapter.

## 6.6 *Validating the Findings*

Whilst the Values Framework of Positive and Limiting Values has been referenced to interview transcripts, a great amount of effort has gone into testing my hypothesis with the account teams of my customers and with my own experience of selling to large accounts. In terms of time frames, ever since the Forum in 2005, where innovation was identified as a most important competency, I have been working on new models and encouraging different behaviours that would enable sales teams to become more innovative and effective in their sales approach.

I now describe a new model that has helped me and fellow practitioners to develop proactive creativity, client-centricity, tactful audacity and authenticity. The insights for this model come from the Starbucks case study.

### 6.6.1 The 3rd Perspective Thinking Model

The idea of Starbucks creating their strategy around the concept of the 3rd Place, and how they used this to reflect on how they worked with their suppliers, led to the development of the 3rd Perspective Thinking Model in early 2005. This is a framework that encourages sales people to think of all aspects of the value chain as it relates to sales. It enables a sales person to think not only of their immediate customer, but also their customer's customer. It also enables a sales person to consider both the tangible and intangible aspects of their offer. The framework encourages the sales team to think in a creative way about value creation. Now reviewing the 3rd Perspective Thinking Model through a values perspective, we could see that its use by sales people demonstrated **proactive creativity** and, once the business case is shaped, **tactful audacity** in the way the ideas are then put to the client.

The 3rd Perspective Thinking Model considers some simple but important questions:

1. What value does my customer seek for themselves?
2. What value does my customer need to create for their customers?
3. What do we have that could impact on the areas they care about?

Table 6.6 explains how, if time could be repeated, HP could have taken the initiative in this deal using 3rd Perspective Thinking.

**Table 6.6: Example of HP's and Starbucks's Value Chain**

HP	Starbucks	Consumers
What do we have?	What value do they seek for themselves?	What value do they seek for their customers?
<ul style="list-style-type: none"> <li>• Desktop hardware/software</li> <li>• Servers</li> <li>• Wireless technology solutions</li> <li>• R&amp;D</li> <li>• Joint marketing</li> <li>• IT support</li> </ul>	<ul style="list-style-type: none"> <li>• Increase overall profitability</li> <li>• Increase the number of profitable customers coming through the door</li> <li>• Increase market share</li> <li>• Increase share price</li> <li>• Increase revenue per customer</li> <li>• Differentiate from other coffee shops</li> <li>• Strengthen brand with most profitable customers</li> <li>• Increase time each customer spends in the store</li> </ul>	<ul style="list-style-type: none"> <li>• Relaxing &amp; friendly atmosphere</li> <li>• Quality food and drinks</li> <li>• The 3rd place</li> <li>• Good service</li> <li>• Loyalty</li> <li>• Convenience</li> <li>• Comfortable meeting place</li> <li>• Consistency</li> </ul>

This example shows how, by using the 3rd Perspective Thinking Model, an HP/Compaq sales person could have come up with the idea before Starbucks did. By starting to brainstorm what value Starbucks needed to create for its customers, HP/Compaq would then have been able to consider what it could do to help Starbucks create value for itself and its customers.

Thus, we now had an approach that we could apply to live deals that would enable the values to be lived.

In April 2005, we started working with Hewlett Packard's Outsourcing Division. They asked us to help them increase the commercial effectiveness of their large deal pursuits. They were interested in the 3rd Perspective Thinking Model and felt that this framework would enable them to develop a stronger value proposition and a more effective commercial strategy. Our intervention with Hewlett Packard enabled us to develop deeper insights into the validity of using a values-based framework to secure large global contracts.

## **6.7 *Action Research – Living Theory***

### **6.7.1 Applying the Learning to Hewlett Packard's Outsourcing Team**

At the time we became engaged with the large deal pursuit team, the close ratio for large deals was low – around one in 15 large deals. Michael Hurley, the European Project Manager, had recently joined Hewlett Packard from IBM and had a remit to do what it took to improve their success ratios. He felt that the then current approach was 'too technical' and lacked 'creative flair'.

We created a workshop called Winning Value Proposition (WVP). Its goal was to change the mindset of the pursuit team. The Participant Manual (see Annex 7 – Winning Value Proposition Participant Manual) describes in more detail the journey through which we took the participants.

This is an overview of how we developed the values-based approach and allowed creativity to emerge through a two-day workshop.

For Client-Centricity, we showed extracts of the video clips of customers we had interviewed. We used plenary group sessions to discuss what the pursuit team had learnt from the interviews. We also invited industry analysts to the workshop to provide their insights. This enabled the pursuit team to understand the broader business drivers for a client's business, not just the technical drivers. In recognising that the creative output of each workshop was dependent on people, we ensured that senior managers participated at each workshop (as they had the power to make decisions happen). We also found the best subject matter experts on a particular topic to join us and to provide us with ideas, no matter which part of the world they resided in. Each attendee was provided with a briefing pack on the opportunity in order that they could come to the workshop with ideas.

To create a Proactive Innovation and Tactful Audacity mindset, we introduced participants to the 3rd Perspective Thinking Model. The Starbucks case study was adapted so that participants were able to use the model to develop creative and bold proposals. This framework was then used for each pursuit opportunity.

In order to check that the ideas developed by the team were plausible, i.e. Authentic, we created a matrix, called a Solutions Development Matrix, to ensure that the ideas generated were feasible and created value for the customer. We also encouraged the pursuit team to validate the ideas being developed with the client before the ideas were submitted formally. Examples of the outputs of the workshop are also included in Annex 7 – Winning Value Proposition Participant Manual.

### **6.7.2 Hewlett Packard – Anglo-American Case Study**

A review of the success of the workshops was conducted at both an individual deal level, as in the case with Anglo-American, and in reviewing the conversion rates.

An interesting and now publicised 'win' was Anglo-American. It captured the essence of how this new approach helped to bring 'value' to both companies, from no relationship to a \$450 million deal over a nine-month time frame. How were the Four Values applied to win the deal? This is a short account of how HP won the Anglo-American deal and describes some of the key milestones from the pursuit project director's perspective.

HP had taken a global perspective in building a collaborative relationship. Anglo-American responded well, engaging their senior 'C' level Information Technology team and also Human Resources and Business Unit Leaders, as they realised that they needed to get HP up to speed very quickly to develop its deal strategy. Relationships were developed through a series of collaborative workshops. (Client-Centricity.)

HP explained that they did not understand enough of the problems of their business to write a due diligence plan. HP then co-developed, with Anglo-American, the Due Diligence plan. This was quite unique – normally HP does not have this level of interaction. In the end the incumbent competitor was forced to use their methodology and was, therefore, on the back foot. (Tactful Audacity and Authenticity.)

HP broadened the relationships to key countries: Anglo Coal in Australia, Anglo Copper in Chile and Brazil, and diamond and gold mines in South Africa. It met the Chief Information Officers and Chief Executive Officers of their subsidiaries and learned what their problems were. This meant that HP's solution met their needs totally: as the Pursuit Director said, 'When a mine is 1,400 kilometres from the nearest town, a 4-hour service does not make sense.' They too liked the collaborative approach. (Client-Centricity.)

The WVP Workshop had identified some potential areas of innovation. 'In mining there are huge issues in knowing about where their assets are (some of the sites are 10 kilometres across) and knowing where their people are in the mines. If they lose track of one person they have to close a mine down for health and safety reasons.' (Pursuit Director.) (Client-Centricity.)

'The idea of using memory spots or even RFID (Radio-Frequency Identification) to physically count people in and out was hugely valuable to them.' (Pursuit Director.) (Proactive Innovation).

'Whether we implemented this technology for them or not is probably irrelevant – it shows HP has breadth and depth. They liked the fact that we brought new ideas and ways of thinking to the table.' (Pursuit Director.) (Proactive Innovation.)

'The fact we had developed a deep understanding of their business meant that our ideas were validated and we could build on the emerging win theme of innovation.' (Pursuit Director.)

Was this a one-off? Table 6.7 provides evidence to support the fact that the new approach worked. We have been able to make a comparison between deals that used the WVP at the outset of the development of the deal strategy against those that did not.

**Table 6.7: Comparison Summary**

	WVP	Non-WVP	Total
Total Deals	13	11	24
Won	10	3	13
Lost	3	8	11
Value Won (million)	\$4,883	\$245	\$5,128
% Conversion	76.9%	27.3%	54.1%

A total of 4.9 billion dollars had been closed on deals where the new approach was applied. All of these deals were with global customers. At a 77% conversion rate, we found there was more than a two-and-a-half time's greater chance of winning deals using this approach.

The journey has not been easy. Breaking the cultural mindset from within was as difficult as changing the cultural mindset from without. In situations where customers see these deals as purely transactional, and where procurement departments are trying to have all vendors compete at the same level so they can compare 'apples with apples', sales people have to be particularly compelling, creative and audacious to change the transactional mindset to a values-based mindset. Again, the same applies, internally, to leveraging across the different 'silos' of an organisation where the same resistance can be found.

### **6.7.3 PIC Case Study: An In-depth Reflection of the Relationship Between One of the UK's Largest Grocery Retailers, and PIC, a Profit Recovery Firm of Auditors**

This case study shows how the Values Framework was used to assess the strengths and weaknesses of the relational aspects of the relationship between a UK Grocery Retailer and PIC, our client. In doing so, we also created a stronger link between my Values Framework and Value Creation through a concept we called the Value(s) Quadrant. This is described later. For issues of confidentiality, I will call the name of the Retailer, Cargill, and I have made anonymous the name of our client, whom I shall call PIC International which is in recovery auditing and a leading profit improvement firm.

PIC works with most of the world's largest retailers. It is in the relatively unique position to be able to articulate the value of its services. Since PIC started working for Cargill in 2001, it has recovered around £200 million for Cargill. In 2005, for example, its contribution to Cargill's bottom line profits was £50 million. This was 20% of the pre-tax profits made by Cargill that year. One may have thought that, given the huge contribution PIC had made towards Cargill's bottom line profits, its position in the account would be unassailable.

In March 2008, PIC learnt unexpectedly that Cargill was going to put out to tender the contract for profit recovery. PIC was shocked with this news. For many years, Cargill was one of its most profitable accounts in Europe and its account management was considered a benchmarking best practice globally.

I was invited by PIC to interview 16 of Cargill's executives to find out what they thought of PIC and what they liked and did not like about the service they received.

#### **Who Should Be Interviewed**

We used the 3rd Perspective Thinking Model to consider those whose work PIC touched. This enabled us to identify four distinct groups: Group Finance, Trade Finance, Commercial Traders, and Others, and the people I was to interview. The selection involved main board directors, senior management and day-to-day operational executives.

#### **Creating a Framework for the Interview**

The questions were structured around four headings:

**Relationships:** to examine what Cargill felt about the relationships, i.e. how PIC was conducting itself.

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**Efficiency:** to gauge how efficiently PIC went about its work, how well Cargill felt PIC was optimising resources to provide recoveries for Cargill.

**Innovation:** to understand the value that Cargill placed on innovation and the extent to which PIC provided innovation.

**Financial:** to gain insights into Cargill's perspective of the level of recoveries PIC was finding.

In order to obtain unbiased information, we agreed that we would allow interviewees to influence the direction of the interview conversation. This was to avoid, as Gergen (1997) describes it, the 'containment of conversation' and 'silencing the marginal voices'. The interviews started with an open, unconditional question: 'What is the business looking for today from its Profit Recovery service?' From how interviewees chose to answer the question would determine how to continue the conversation. All but four interviews were audio recorded with the permission of the interviewees. A copy of the interview questions can be found in Annex 8 – PIC Interview Questions.

### **Reflecting on the interviews: Value and Values**

From the Cargill's interview conversations, we identified the following requirements:

- values, i.e. *how* do they want PIC to engage with them, and
- value, i.e. *what* tangible business value they expect from PIC.

This was the first time we had captured value and values in a report. From this it is suggested that living the right values is the DNA for value creation.

By analysing the research outcome at a 'group' level, we were able to analyse the differences in perception between the different departments at Cargill.

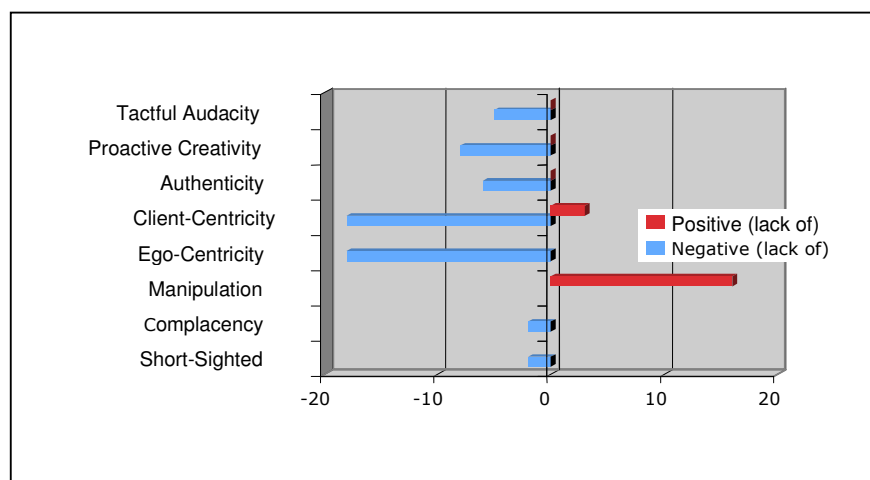
We used our Values Framework to review the values that Cargill looked for from PIC. We selected interviewees' comments where they made explicit and implicit reference to the values.

Many issues raised by interviewees reflected the Four Values. Although there were some comments that behaviours reflected the Four Limiting Values, overall, the bigger issue seemed to be **not** the demonstration of Limiting Values, but the **lack** of demonstration of Positive Values.

No-one disputed that PIC was doing a good job of the core business of recovery, but more than this would be required in the future if Cargill was to be happy with PIC's performance. A different mindset was required, both towards the scope of the job and towards the relationships with Cargill's employees.

### Differentiating Values

By reviewing the frequency of comments made by interviewees that refer to our Values Framework, we were able to conduct a numerical analysis of the 'values' Cargill 'wants' from PIC but does not receive, and the values they see from PIC but do not want – see Figure 6.2.



**Figure 6.2: Frequency of Comments Made by Cargill's Interviewees**

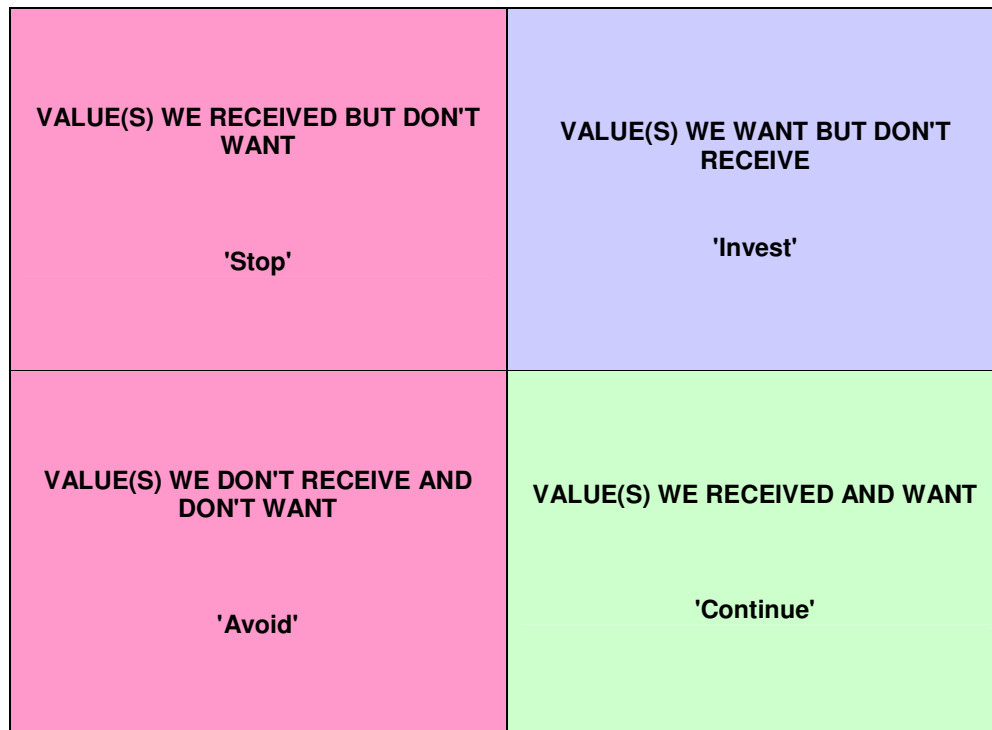
The results suggested a serious misalignment of values and provided guidance as to where PIC needed to work in order to improve its client relationship.

### Value Cargill Wants from PIC

In this segment, interviewees tell what it is that they want from PIC – what it is that Cargill wants from PIC.

### Value(s) Quadrants

We wanted to find a way that would allow us to synthesise the interview data in a simple way. The Value(s) Framework (shown in Figure 6.3) enabled us to do that.



**Figure 6.3: Value(s) Quadrants**

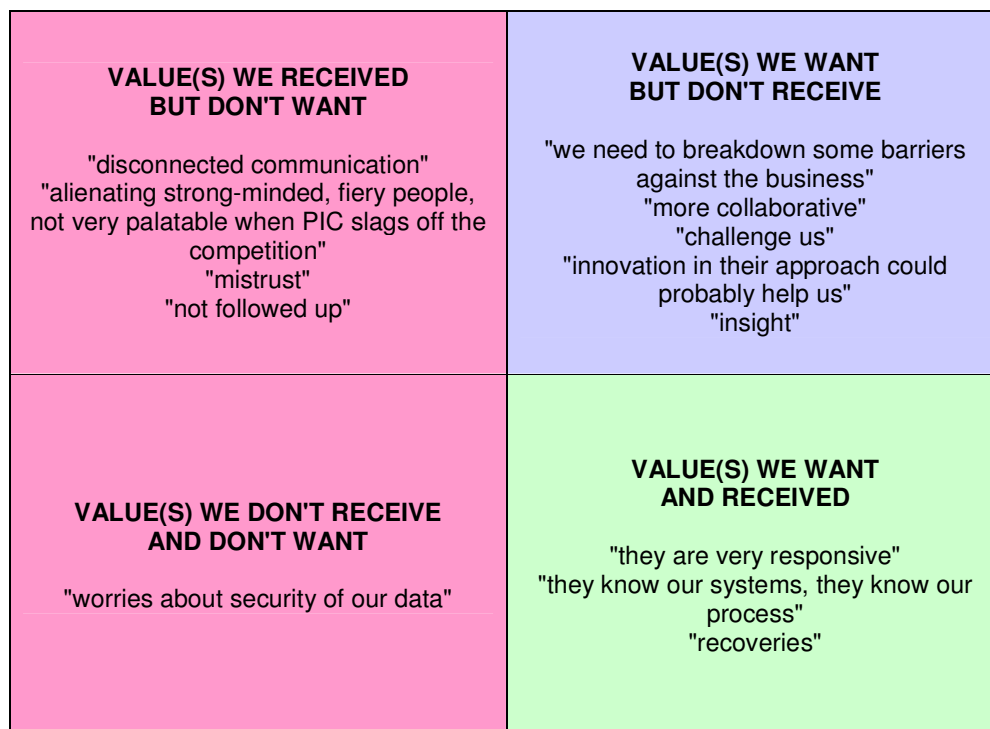
The top left-hand quadrant allowed us to capture reference made to the activities that did not generate value in commercial terms and perceived negative values. Examples in this quadrant should stop as they create a negative customer experience.

The top right-hand quadrant allowed us to capture reference made to the activities that could generate a positive customer experience in terms of both value and values. This was an aspirational quadrant and one in which PIC should invest.

The bottom left-hand-quadrant allowed us to identify examples of what the customer did not want to see in terms of value and values. Examples in this quadrant would show PIC what they needed to avoid.

The bottom right-hand quadrant showed what PIC was doing right in terms of value creation and values. This quadrant showed what PIC should keep on delivering.

The quotes shown in Figure 6.5 provide an example of how we began to review the data. We listed examples of value and values that related to each quadrant.



*Figure 6.4: Value(s) Quadrants (2)*

We reflected on the interviews as they related to the different groups, Group Finance and Trade Finance (see Figure 6.5), Commercial Traders (see Figure 6.6), and Others (see Figure 6.7) and analysed the transcripts using the four quadrants.

<p><b>THE VALUE(S) WE RECEIVED BUT DON'T WANT</b></p> <p>VALUES</p> <ul style="list-style-type: none"> <li>• Hit and run mentality (ego/supplier-centricity)</li> <li>• Do not want to be sold to (ego/supplier-centricity)</li> <li>• Slagging off competition (ego/supplier-centricity)</li> </ul> <p>VALUE</p> <ul style="list-style-type: none"> <li>• Don't want add on projects . . . yet</li> <li>• Tension</li> </ul>	<p><b>THE VALUE(S) WE WANT BUT DON'T RECEIVE</b></p> <p>VALUES</p> <ul style="list-style-type: none"> <li>• Simplicity</li> <li>• Innovation and proactivity</li> <li>• Challenge us, have a point of view</li> <li>• Trust, transparency</li> <li>• Fluidity</li> <li>• Keeping up with Cargill's values</li> </ul> <p>VALUE</p> <ul style="list-style-type: none"> <li>• Recommendations to improve processes and engineer out recoveries</li> <li>• Governance and control</li> <li>• Collaboration with business and competition</li> <li>• Sufficient visibility outcomes</li> <li>• Leveraging industry knowledge</li> <li>• Someone on site who knows trading</li> <li>• Continuous investment</li> </ul>
<p><b>THE VALUE(S) WE DON'T WANT AND DON'T GET</b></p> <p>VALUE</p> <ul style="list-style-type: none"> <li>• Abuse of confidential data</li> </ul>	<p><b>THE VALUE(S) WE WANT AND RECEIVED</b></p> <p>VALUES</p> <ul style="list-style-type: none"> <li>• Quality interaction with suppliers</li> <li>• Quality of work</li> <li>• Independence</li> </ul> <p>VALUE</p> <ul style="list-style-type: none"> <li>• Respond quickly and appropriately</li> <li>• Knowledge of systems, process and business</li> <li>• Appetite for providing services</li> <li>• Recoveries</li> </ul>

**Figure 6.5: Interview Quotes from Group Finance and Trade Finance**

<b>THE VALUE(S) WE RECEIVED BUT DON'T WANT</b> VALUES <ul style="list-style-type: none"> <li>• Independence</li> </ul> VALUE <ul style="list-style-type: none"> <li>• Hit and run mentality</li> </ul>	<b>THE VALUE(S) WE WANT BUT DON'T RECEIVE</b> VALUES <ul style="list-style-type: none"> <li>• Visibility</li> <li>• Trust and transparency</li> </ul> VALUE <ul style="list-style-type: none"> <li>• Higher recoveries (testing supplier)</li> <li>• Credit for recoveries</li> <li>• Insight into trading practices</li> <li>• Benchmarking with other departments/industries</li> <li>• Best practice in category management</li> <li>• Recommendations</li> <li>• Make our life easy</li> <li>• Relationship implant</li> <li>• Feedback/closure around projects</li> </ul>
<b>THE VALUE(S) WE DON'T WANT AND DON'T GET</b>	<b>THE VALUE(S) WE WANT AND RECEIVED</b> VALUES <ul style="list-style-type: none"> <li>• Fair but firm management of supplier relationships</li> </ul> VALUE <ul style="list-style-type: none"> <li>• We got the right level of recoveries.</li> <li>• Recommendations were made – worth more than recoveries.</li> </ul>

**Figure 6.6: Interview quotes from Commercial Traders**

<b>THE VALUE(S) WE RECEIVED BUT DON'T WANT</b> VALUE <ul style="list-style-type: none"> <li>• Excessive profits made by suppliers at our expense</li> </ul>	<b>THE VALUE(S) WE WANT BUT DON'T RECEIVE</b> VALUES <ul style="list-style-type: none"> <li>• Simplicity</li> </ul> VALUE <ul style="list-style-type: none"> <li>• Information and insight</li> <li>• Analysis by policy, procedure, controls and compliance</li> <li>• Feedback</li> </ul>
<b>THE VALUE(S) WE DON'T WANT AND DON'T GET</b>	<b>THE VALUE(S) WE WANT AND RECEIVED</b> VALUES <ul style="list-style-type: none"> <li>• Assurance</li> </ul>

**Figure 6.7: Interview quotes from Others**

Having conducted the research interviews, PIC had invaluable information that enabled the company to respond to the tender.

We concluded that we should 'lead' with words that Cargill used in the interviews to underpin the win themes for the tender process. It was interesting to note the correlation between the Key Values Cargill was looking for from PIC and the Values Consalia had identified through research – see Table 6.8.

**Table 6.8: Correlation Between Cargill's Key Values and Consalia's Values**

Differentiating Values:	Cargill's Words:
Tactful Audacity	'Challenge Us'
Proactive Creativity	'Proactive Innovation'
Client-Centricity	'Working for the Business'
Authenticity	'Transparency'

#### Key Learning from the PIC/Cargill Research

What surprised us about the research was the depth of feelings about PIC's Client Services Director that was unseen and unnoticed. The feelings had developed to the extent that one of the key decision-makers made the following comment:

*'Again, being totally candid about it, I think it would be nice to have, even though he's got such an in-depth knowledge, it might be an idea to put somebody else forward as being the different, the different relationship person, I'm just being totally honest and I would expect other people, if they're being as open as I am, to say the same thing to be quite honest.'*

Her view was reiterated by her boss who made the following comments:

*'I just feel as though, yes, they probably get on and do roughly what we ask them to do. I think, on the whole, they're quite a difficult supplier because . . . my interaction is always one when there's an issue or a problem, so if stuff's working as it should do, I have very little visibility of them. The only time I ever hear about it is when there's an issue with trading or certain claims being made against certain supplier, and traders have then said well that we were aware of, you know, and so you have a debate as to whether or not there's identifiable income that's right or wrong. So my sort of experience is always one of having to intervene when an issue's been raised, which always will tend to mean that any interaction I have in relation to PIC is always a negative one, it's always a problem or*

*an issue that's got to be solved. A disagreement between PIC and the rest of the business.'*

Someone else in the Trade Finance Department made the following comments:

*'For me the defining moment when the relationship started to go wrong was when RMS and EDW started two years ago. HC relied on past level of recoveries, when these started to reduce there was more tension in the relationship and the engagement started to drop. PIC has never been criticised before. HC came to the meetings with D, H, relying on the comfort of the past. But we were looking for the relationship to move on.'*

*'PIC seemed to have a kind of arrogant attitude. HC is a very important person. He says the right thing but we very quickly lost trust with him, sensed that PIC was feathering their own nest and were developing a wide and unofficial network.'*

Deeper analysis of the transcripts shows that most of the tension originated within the Trade Finance Department. This tension can be explained at two levels.

1. Blame culture within Cargill

The very nature of the work that PIC does reveals 'mistakes' that are made within their department. These mistakes can be caused through poor processes, incorrect data entry by the traders, poor records being kept by the traders, incorrect supplier invoicing. The level of recoveries reflects the inefficiency of the traders and the Trade Finance Department. Whilst Cargill has reduced human and process error, there is still a great deal of sensitivity about recoveries made by PIC.

2. Trade Department receives no tangible Value from PIC activity

Currently, the Trade Department receives no tangible value for recoveries made in their department as all the monies that PIC recovers are attributed to Group Finance. As one of Cargill's executives explained, 'standard claims fall into a separate area so we can monitor how profit recovery is going . . . so that's where people might be protective in trading because it goes towards their bonus.'

There is an argument that, if the Trading Department was credited with the recoveries that PIC found, in turn, they would have a very different attitude towards PIC. They would become much more collaborative and most of the current tension would disappear. This, in turn, would make the life of the Finance Manager much easier.



The counter-argument to this, as seen by the Finance department, was why should Trade Finance benefit financially from mistakes made in its department? If Trade Finance was to receive the financial benefit of the recoveries found by PIC, it may become less diligent in making process improvements or reducing human error. The problem, in Group Finance Department's view, has a lot to do with the manner in which PIC and, specifically, the Client Services Director, interacts with Cargill. As one of Cargill's senior executives commented, 'the way that he's developed his relationships within the business probably doesn't help.'

It is important, therefore, to recognise that some of the negative feedback directed towards the Account Manager could be a symptom of internal procedures within Cargill. This point was partly recognised by the Finance Manager, who said:

*'It would be a bit tough to blame the breakdown in communication on (the Account Manager), given that the people won't necessarily see him or make time to see him. So, you know, that's why I'd caution my feedback, I'd caveat my feedback because I just haven't necessarily drilled down in enough detail, but there are a lot of people who will say, in the business, that the Account Manager is quite difficult to deal with. And I think, I suspect actually, you know, that I'm sure it wouldn't surprise me if half of the issues that are created are down to Cargill's people. It wouldn't surprise me at all.'*

*'Standard claims fall into a separate area so we can monitor how profit recovery is going. It's only fair really because the profit recovery, it goes into their line to see how they're performing because trading hasn't completed the activity to get that money in. So that's where people might be protective in trading because it goes towards their bonus.'*

In spite of the reasons for the tension, what has shocked all those within PIC is the candidness of a UK Grocery Retailer's comments and the fact that, even though PIC work on site, it was very unaware of the depth of the dissatisfaction that existed with its most valued client. PIC simply did not notice, until the interviews were conducted, quite how Cargill's staff felt.

Whilst PIC recognises the investment a UK Grocery Retailer has made in this interview process, it was not sure how to interpret Cargill's openness. Is this the way for a UK Grocery Retailer to share with PIC the reasons why it will take a decision not to use PIC in the future or to try to help PIC re-earn the right to be its preferred supplier of recovery services?

I produced a slide (as shown in Table 6.9) for a recent management meeting to help summarise some of the key learning from the interviews.

**Table 6.9: Key Learning**

<b>Key Learning:</b>	<b>Key Learning:</b>
The longer you are with the customer, the less you notice	The less you notice, the less you are noticed
What you see is not what you get	Paranoia is OK
Fragility of relying on the assumed	If you 'sleep around' you take the consequences
Trust is slow to build and quick to destroy	People remember stories more than PowerPoint

### **Actions Taken as a Result**

Given the negative comments, PIC had to act quickly to rebuild its relationships. The European Vice-President of PIC, with his senior management team, decided that the only way to stay in the game was to act quickly and decisively upon the advice provided by Cargill. The first action they took was to replace the existing account director and, in his place, appointed another who was a very senior member of the management team. He was responsible for rebuilding the relationship with Cargill, and another board director was responsible for reviewing the operational aspects of the accounts. They were concerned that Cargill was questioning their core competence and felt that the audit team on-site had become complacent, perhaps due to a lack of leadership. Team meetings were convened, new client-centric reporting formats introduced, new auditors aligned to the account, and care taken to keep Cargill informed of all the changes taking place. In addition, a 'war-room' team, which included top management and me, was created to help with the tender response. The Win Themes, based on the values mentioned earlier, were used to brand the initiatives PIC was proposing to undertake.

### **The Result of the Tender**

Eight companies were invited to compete for the tender. Four companies were invited back for the presentation, and PIC was relieved to be one of the four. During the negotiations that followed, PIC was told that they came close to losing the chance of being selected as their fees were out of line, i.e. they were too expensive. PIC resubmitted its proposal and it was down to two companies. It was a very long wait – Cargill was either going to choose one supplier or two. During the waiting period PIC continued to act very professionally, continued to innovate with new ideas and new reporting formats for more transparency, in the hope that this would be

sufficient to earn back the trust they had lost over the last two years. In the final event, Cargill selected PIC's competitor to become the prime supplier, but PIC was given the second pass contract. This meant that PIC had retained the client relationship, albeit with less scope of work than they had before.

### **Reflections After the Tender**

Whilst this was a bittersweet result, PIC asked Cargill if I could interview the key decision-maker one last time. The interview was most interesting. We discussed the poor start to the tender process, as reflected in the interviews PIC conducted.

This was Cargill's response: 'What went in their favour was that they acted so quickly on our feedback . . . the new Account Director brought it so close, it really was close and that's why it took so long'. But why, after all these efforts, did the PIC team fail to win the premier supplier status? The answer was interesting in that, as part of the tender, PIC had to estimate what level of recoveries they could find. PIC proposed a level that was, in the mind of Cargill, too high. It was unbelievable. 'If I had been convinced that this was achievable by these guys, they would have won this hands-down. But I couldn't get myself to that point.' Furthermore, Cargill said that their competitor said the figure was too high . . . 'actually, the other party said we can't do that, that's too high . . . some of my confidence from them comes with the fact that every forecast they've put since they started with this business, they've beaten.' At the end of the day, Cargill trusted the perspective of PIC's competitor more than PIC – in spite of the good work PIC had put in. The competitor's proposal was seen as being more authentic, i.e. believable, than PIC's proposal. Cargill took the view that PIC had over-inflated the recovery figures in order to win the business and asked PIC to re-quote using the recovery levels predicted by its competitor. Had PIC, in the heat of the moment, forgotten the values upon which it was basing its tender response? Had PIC focussed too much on Proactive Creativity and Tactful Audacity without fully recognising the mountain it had to climb as far as Authenticity was concerned? What might have been the result if PIC had put in a more realistic forecast of recoveries? What is clear is that PIC's competitor has earned Cargill's trust over the previous years, a period where PIC was seen to have been complacent. Whilst PIC had done enough to win the second supplier status, it had done too little, too late.

This case study demonstrated clearly the importance of the relational aspects of a supplier-customer relationship. Had PIC lived the values of Authenticity, Client-Centricity, Proactive Creativity, and Tactful Audacity throughout the duration of the seven years, Cargill may have never asked PIC to re-bid for the contract. Whilst PIC almost lost its most important European account, by living the values quickly it managed to hold onto its relationship in the account.

The learning from this exercise was used later by PIC with Wal-Mart, where we again were invited to conduct a series of interviews with Wal-Mart staff in Bentonville, USA. A workshop was then convened to develop Win Themes based on the Values Wal-Mart wanted. This time, the result was more positive. PIC won back its lead position with the world's largest retailer.

The link between the 'values-based' approach and 'value creation' with both these accounts is very strong and one that I will dwell on further in the Conclusions Chapter.

What follows are three case studies that examine how I have attempted to live the positive values to win some important new accounts for Consalia.

#### **6.7.4 Zurich Case Study: How a Discussion About 'Who killed the rabbit?' Led to the Development of a New Global Account Relationship for Consalia: Reflections on the Role of the 'Four Values' Approach in the Sales Process**

**12th, 13th October 2006, St Gallen University, Global Account Management Seminar**

In researching the subject of global account management, I learnt of an event, sponsored by St Gallen University, to which they had invited different speakers from companies who had implemented global account selling programmes. I decided to go. This unexpectedly led to the development of a new global account. I use this narrative to describe how I have attempted to live the four outstanding values to secure this new, important account relationship. I also describe how the process has helped to provide deeper insights into how the world's largest sales training company is currently approaching sales competencies, and how the four values mindset can help to create collaborative value between two previously unconnected customers. I draw upon extracts from my learning diary (October 2006 through to February 2008) in this narrative.

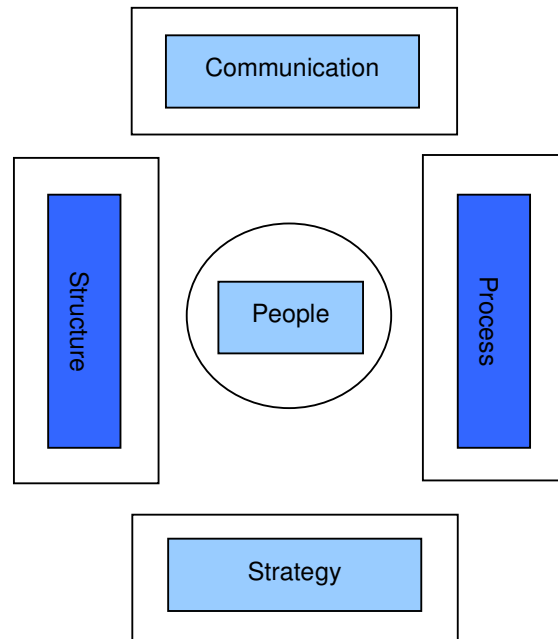
On the evening of the first night of the seminar, I found myself talking to Andre Guyer, an executive manager of Zurich Financial Services (ZFS) and Head of Global Business Process Transformation. He had been presenting at the conference on what ZFS was doing to create a One Zurich approach. He explained that ZFS was transitioning from being a global business consisting of many local operations, to having a more integrated global approach, and that this was required to improve the relationship with its global customers. Andre described the complexity of the challenge ahead. Zurich did not sell direct, but sold through brokers of whom there were three major players – Willis Group, Aon and Marsh. Zurich had to align its back office systems not only with its global customers with whom it wanted to build more direct relationships, but also with the brokers. Andre came across as both very intelligent and charismatic. When he presented he did so with a huge amount of passion. He seemed to thrive on solving complex

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problems and I determined to meet him at dinner and get to know him more, as I felt I could learn a lot from him and that he might be interested to learn more of my doctoral project.

During the course of the evening meal, and on more social topics, I learnt that Andre was also closely involved with the Swiss Mathematical Society and we then had a rather entertaining conversation about a mathematical problem that had been bugging me for some time. This story I recounted to Andre. Thirty-five years ago, I watched a Tom Stoppard play called 'Jumpers'. During this play, two men had been having a philosophical and drunken conversation about 'What killed the rabbit?' One man described an arrow speeding its way towards the rabbit. At certain points in time the arrow is a foot away, then six inches, then an inch, the half an inch, then a quarter and so on, the point being that the arrow never pierces the rabbit. According to mathematics, the rabbit dies of course, but dies of fright! I had put this argument to my Maths teacher at school the next day and asked him to explain, in mathematical terms, how this contradiction could be explained. I do not recall his answer but it was something along the dismissive lines of 'not to waste valuable time!' This was a turning point in my attitudes to mathematics. If maths could not explain the cause of death of the rabbit, then what value would it play in life! Andre proceeded to describe enthusiastically the wonderful paradox of mathematics and he said that the problem was that I was using the wrong formula and that I should have used the 'time and motion' formula that would explain, in mathematical terms, how the rabbit died. His comment about using the wrong formula resonated and I was to refer to our conversation later when reflecting on paradigms and how they can result in people not benefiting from seeing new perspectives. We agreed that when Andre was next in London we would meet for lunch and continue our discussions about global account selling and share insights about my research project.

We next met on 14th November. He explained his transformation strategy in more detail and drew a diagram as shown in Figure 6.8.



**Figure 6.8: Guyer's Transformation 'Pillars'**

I was interested in his concept of communication. He said, 'Communication without action was not communication.' I interpreted this as being 'what is the point of communication if, as a result of it, no action is taken?' I recall a conversation with Mario Kerr later in Boston on 11th May 2007 who said that for him 'the point of any conversation is that both parties leave having gained something from the conversation.' When one is conversing, one is communicating. If, as a result of the communication process, both parties gain, then some form of 'action' has happened. Both parties would have 'acted' upon something that was shared even if the idea is simply 'parked'. I consider this idea of both parties gaining and receiving something from each other's conversation as being the essence of reflective practice, and wonder how this mindset impacts my everyday interactions with colleagues and customers.

Andre said that, in his view, the biggest inhibitor of change was people; he argued that 'we can have all the structures in place, processes in place, but if we don't have the right people, the strategy will fail in its execution.' He was, therefore, interested in the research that I was doing and interested in my insights into what it takes to develop global account relationships, and offered to introduce me to the Head of Global Sales for ZFS. We continued our discussions over lunch where I had also invited Bill Stephenson, a stakeholder of my Research Project and who worked at Hewlett Packard in its global learning and development division. Andre was pleased to have this introduction – having worked at IBM before, Andre respected Hewlett Packard, though he had some issues about how these technology companies sold to customers. These

issues he was to share with HP later. He felt that ZFS was 10 years behind companies like HP in developing its global account management programme and was keen to see if he could learn from HP's experiences.

During the course of lunch, I noted a comment Andre made about Bart Logge from Philips Electricals who also presented at the St Gallen Conference. Bart explained some of the best practice approaches Philips was adopting in the way they were approaching their key retail accounts. One of their key accounts was the Ahold Group, one of the world's largest retailers. They were losing out in this account to other competitors and realised they had to find creative ways of adding more value to this client or risk being outsmarted by the competition. They understood that Ahold had problems in attracting and keeping bright graduates and, in fact, shared a similar challenge themselves. Philips decided to create an initiative around the idea of developing a graduate scheme where students could combine a degree with work experience at both companies. Students destined for Ahold would have a chance to develop an understanding of supply chain at Philips and vice versa. Philips felt that, in the long-term, relationships between these two companies would improve as managers from each were likely to know each other. Ahold responded positively and together they co-created the graduate programme. Its results helped to re-establish Philips in the account at the same time as both companies benefited from developing a more attractive graduate scheme. This story is interesting in that it demonstrates the role of non-tangible assets driving strategic value for both companies. It also demonstrates the importance of thinking in a holistic manner of the challenges customers face and being creative in coming up with new ideas. It was interesting to observe Andre motivated by this story and it reinforced my belief that we both saw value in the idea of 'co-creation of collaborative value' that is an important theme of my research.

On 8th May 2007, I attended a conference in Dallas hosted by SAMA, the Strategic Account Management Association. I noted that the Vice President of ZFS's Customer Relationship Team was presenting and learnt a lot about the challenges that ZFS was facing from a front office perspective – he provided me with a much deeper understanding of the ZFS 'distribution' model. After the presentation, I introduced myself and said that I was in contact with ZFS's Head of Global Sales and Andre. It was fortuitous that I was to meet him, not expecting that some seven months later we would both share the same platform at a ZFS conference. It was also fortuitous that Alexis Langange, HP's Head of Global Sales Operations, was there. I had met him on a trip to the USA back on January 25th 2007. I took the opportunity to ask him if he would be happy to share his experiences of global account management with ZFS. (I had described to him the rather innovative work we were conducting for HP, with the idea that he might help us to get access to other parts of HP if he was impressed with what we did.)

Six days later, on May 14th 2007, I finally met the Head of Global Sales at ZFS. I was well prepared for a more informed conversation. Andre had grounded me with the insights of the complexities of the back office challenges facing Zurich as they moved to a centralised global model, and ZFS's Customer Relationship Team Vice-President had grounded me with the complexities of the front office and having to manage different distribution channels. Alan was intrigued with my research which we discussed at length. He said that he was 'not convinced in process-related sales training' and cited Miller Heimen's approach to account planning as being rather 'ineffectual'. He was, at the time, considering a more personal approach to development plans and liked the concept of the 'reflective practitioner'. At the time, I did not realise that he was also to have conversations with Mercuri, a competitor of ours, about coaching – this, on reflection, was a missed opportunity as he did not realise, or did not want to share with us, his ideas of starting a coaching programme with ZFS at the time. I shared with him what was then our current thinking around the topic of values. He seemed to respond well; he was particularly interested in the customer research I had done, and was excited about the idea of our sharing the research at the ZFS Global Sales Conference and including the customer testimonials. I also decided to share with him the interest that Andre had showed in learning more about Hewlett Packard's global sales approach and had mentioned that I had put Andre and Alexis in touch with each other. I hoped that by sharing with Zurich the perspectives developed from my relationship with HP, it would help everyone. Zurich would learn from HP, HP might be seen as a potential supplier to Zurich, and we would be seen as having both Zurich's and HP's interests at heart. Shortly after this meeting, we were contracted to work with Alan to present at their Global Sales Conference.

Andre was very excited about sharing best practices with HP and was also keen to share, in return, his experiences of how IT vendors sold to Zurich, at a Forum on 25th-28th June that Hewlett Packard was in the process of organising. This Forum was an event that I had been invited to facilitate – its purpose was to enable Hewlett Packard to gain insights into how to create an approach strategy for the banking and insurance industry. It is important to note that the Forum was organised by HP's FSI (Financial Services Industry) cohort of Master's Students who were in the process of conducting research for their Master's in Business Change. Again, Andre talked about how companies, such as Hewlett Packard, should approach Zurich and cited once more Bart Logge's example of innovation in the way relationships could be built. The interview was videoed and an extract of what he said follows.

*'I never forget the example . . . from Philips at our conference in November. Was a guy, he was responsible for . . . global account management . . . his customer was Wal-Mart . . . he figured out . . . they have the same problem as we have . . . they cannot hire good marketing talent because everybody hates to go to Wal-Mart (my comment, Bart actually referred to Ahold not Wal-Mart), and everybody hates to go to Philips . . . what they did is*



*to set up a pretty attractive programme. They would hire high talent from universities, would pay them if they could work six months Philips, six months Wal-Mart, they would go through a structured programme, go to Harvard . . . and after two years they would hire them if they were good and now . . . they knew both companies . . . and all of a sudden . . . they had these people in this organisation who knew each other . . . I think it was a brilliant approach.'*

In my opinion, there was an obvious link between the work-based learning Master's programme at Hewlett Packard, ZFS's interest in reflective practice, and Andre's example of Bart Logge and the Philips/Ahold graduate training programme, and the introduction of Alexis Langagne to Andre. How could these streams of ideas be pulled together in an innovative way so that both Hewlett Packard and Zurich could benefit? Just under a month later, an opportunity presented itself in a most unexpected way.

Mike Hurley had flown to Zurich to debrief the workshop with Andre and thank him for his involvement. The day he returned to London, placed on his desk was a Request for Proposal (RFP) from Zurich Financial Services. This came out of the blue. Who knows if Andre was behind the idea, it would be indiscrete to have asked him. Zurich, however, was a known IBM stronghold and Mike had had no expectation that HP would be invited to take part in a \$200 million outsourcing opportunity. His first reaction was 'what an amazing coincidence!' His second was a doubt that HP would even make it to what HP call the down select, i.e. when the number of suppliers is reduced to the final two or three. Now, having met Andre, I thought HP had a chance to think innovatively about its sales strategy, and perhaps linking some sort of collaboration with Zurich on a global Master's programme, reviewing, through action research, best practices on global account practices. Whilst this may not have won the deal, it could potentially provide an example of innovation and creativity. I was curious to see if the HP pursuit team would have made this connection. Later, I called William Mills who was working on the project and referred to the June FSI workshop. I suggested that HP considered the idea of co-creating a Master's project where global account managers from both companies could co-create best account practices. I informed him about Alexis and Andre wanting to meet, and also to let him know of my conversations with ZFS's Head of Global Sales. I was of the opinion that the One Zurich Project had significant implications for their IT infrastructure and that, if they aligned their IT solution to this, the customer would appreciate HP's holistic approach to their set of requirements. He thought this idea had merit and they would play this 'card' after HP knew if it had been down selected to the final two. (At the time, I was disappointed that William had not come up with the idea or seen the connection.) I learnt later that HP was in fact down selected but also learnt that they did not play this 'card'. Disappointingly, HP lost the deal to the incumbent provider. Later, I heard that Zurich had said that, whilst HP had done a great job and

had come a close second, it felt it could not see enough 'incremental value' in what HP had to offer.

I question whether, despite the training and coaching we had provided, without external facilitation the pursuit team would naturally fall back into their existing mindset and not approach the deal-making with the four outstanding values approach. If the values are to be lived, companies and their account teams need to have a 'disciplined' approach. This, in both senses of the 'word', i.e. having mastery of a particular approach and demonstrating a commitment to its method, i.e. being disciplined – and seen by customers through 'lived' values. As far as Zurich, the 'customer', was concerned, it did not see sufficient creativity and innovation in what HP had to offer such that it saw a benefit in switching their contract. Again, I come back to the four outstanding values and ask 'how do we judge whether we score well or poorly against these?' At the end of the day, it is the customer who will judge. Sales Teams have constantly to challenge themselves as to whether they are working hard enough in these areas to win the client. Good is never good enough. A sales team has to be intently curious and always ask what it can do to increase the value of its offer and relationship. The CTO of Vodafone captures the spirit: 'Sales people should be spending all their time for their customers. Their cell phone should be on all the time. And if a customer is calling, they should leave an internal meeting because there is nothing internally that could be more important than what a customer has to talk to you about. Those very simple things aren't done – or are done by so few sales people. It's outrageous.' Possibly, if HP had decided to use an external facilitator, 'grounded' in the outstanding values, it would have approached the deal with more discipline. The external facilitator would have challenged the team, questioned their mindset, and encouraged breakthrough thinking, so that innovative ideas (proactive creativity) could be suggested (tactful audacity) and rational solutions developed (client-centricity). The output can be further 'grounded' through the involvement of the client in the process. Thus, all parties work together towards the 'co-creation of value'.

During these conversations, I continued to work with ZFS's Head of Global Sales. The original plan, to run Zurich's Global Sales Conference in September 2007 in Zurich, and in October in Chicago, was postponed until January 30th 2008. This was a big disappointment at the time but, in hindsight, it allowed me time to shape my thoughts. I decided to work with an Advertising agency to create a set of visuals that would tell our research story in a memorable way. We refined and simplified the presentation – it really takes a long time and practice to create a simple but compelling story. I also realised that Bart Logge's Ahold/Philips story was more memorable than the slides he used – the same would apply to my presentation. I created a series of stories starting with the one at the beginning of this Zurich case study. I used the story of the rabbit to make the point about reflective practice and to be open to the idea of new mindsets. I used the videos to tell their stories about what customers were looking for. I used the Starbucks story to explain the genesis behind the value of tactful audacity. I involved the audience in thinking about

the concept of lived values. I challenged them to think differently about selling and to ground their sales practice on the four outstanding lived values. I also explained that the role of management was to remove the constraints from the sales force to sell.

A week or so later, on February 5th 2008, I received an e-mail from ZFS's Head of Global Sales and what follows is an extract:

*'In the meantime, I mentioned to you that we have entered into a contract with Mercuri to work with us on a Personal Development Programme for our RL community. The programme is built around assessment and personal coaching rather than training, but it did occur to me that much of what you shared with us was very relevant to how we would wish our RLs to think/behave and it would be a missed opportunity not to have our coaches from Mercuri at least aware of some of the headlines from your research so they can begin to see the extent to which our team may currently understand/demonstrate the values you promote in a sales person.'*

*I appreciate that there is only so far you would wish to take such a discussion, but I was hopeful, if nothing else, you would be in agreement for me to share your short paper on the four key values? I am copying in Tom (name changed) as I believe you may know each other and hope that you may be able to have a conversation in the next few days to see what is and isn't feasible in this respect.*

*It goes without saying that I fully respect whatever your position is on this and thank you in advance for allowing us to at least consider informally your presentation material when we are looking at how we develop our people.'* (Source: Head of Global Sales, ZFS.)

I responded the same day saying that I was very happy to collaborate with Zurich and Mercuri on this project.

*We have, since we spoke in December, developed a detailed assessment questionnaire that can be used to assess whether the four core values are being 'lived' and, if so, to what extent they are being lived – these questions could be used as a 360-degree assessment tool – i.e. customers can give feedback as well as managers and RLs. I would be very interested to share our approach with Tom on the basis that the results of any assessment that Mercuri did, that used our values framework, could be shared with us so I could use this data to support the doctoral research project (respecting non-disclosure) I am doing and that they respected our IP (Intellectual Property) – this would mean that I would be happy in the case of the work they are doing with you, to effectively 'licence' the IP to them for your project. They may not be that comfortable with this idea*

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*as they may believe that their assessment is more valid than ours – i.e. it's an issue of ideology – though I doubt they would find fault with it.'* (Source: e-mail from Philip Squire.)

I sent Tom a copy of my Article, *'Could Values Underpin a New Sales Paradigm for Global and Complex Sales Effectiveness?'* (8th February 2008), so he would have some insights into what ZFS was referring to on the topic of 'values', and we met up on 12th February. Tom was initially cautious, mainly due to not wanting our intervention to threaten the timing of the project that he was engaged in. He shared with me Mercuri's Competency Framework for Global Account Managers and explained that Mercuri had developed this from a research project with Dr Christopher Senn of St Gallen University, where they had collected data from global account managers and used this data to create a competency framework. They had framed their Global Account Competency Model around the 'headings' of Knowledge, Skills, Behaviours, Aptitudes and Attitudes. I questioned if their model was too complicated. Following our meeting, I reflected further on some of the words used in their model: 'aptitude' – a natural ability to do something; 'attitude' – a settled way of thinking about something; 'behaviour' – a way in which one acts towards others; and 'skills' – the ability to do something well. If people had to spend time arguing or debating or thinking what is the difference between an 'aptitude' and a 'skill', then the value of the exercise was lessened; also the phonetics of the words 'attitudes' and 'aptitudes' are complicated for those whose first language is not English. On 13th March, Mercuri met with ZFS and, over a workshop, they concluded that our four values would be the foundation 'block' for their competency framework supporting knowledge, skills and behaviours. By dropping the words attitudes and aptitudes, they too chose to work towards a simple, though not simplistic, model.

I make the following observations on their model.

1. One is that they approached the topic of competencies from the wrong perspective. They had not demonstrated a client-centric approach as their research was grounded by account managers. In my opinion, it is more logical to work back from the customers' perspectives in order to define the competencies required of sales people.
2. They had populated their feedback in a framework that I had seen first in 1985 when working with Mercuri International. I questioned whether they had moved on in their mindset. It seems that they were perpetuating a model, not looking at issues of sales force effectiveness through a new 'filter'.

### **Key Learning from Zurich Case Study**

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The story of our relationship started with the conversation of 'Who killed the rabbit?' Andre could see that I was puzzled by the contradiction of mathematics, a topic about which he was passionate. The very fact I 'challenged' the validity of mathematics perhaps made him think that it would be worth exploring my research, in the sense that I may have some interesting ideas that challenged the conventional norm. The fact that this conversation was happening at a point when Zurich was going through a strategic initiative to create a global account management infrastructure made my research relevant. Most important was the fact that the conversation was quite light-hearted and, therefore, non-pressured. We were simply pursuing a discussion out of which a business relationship may or may not emerge. What values was I demonstrating at the outset of the relationship? A degree of 'tactful audacity', in the sense of challenging assumed laws of mathematics, and 'authenticity', in the sense that the challenge was genuine and also showed interest and curiosity for ideas beyond business, therefore non-threatening. It was interesting to observe what Andre said later at the FSI conference in response to a question on what sales approach he likes from suppliers.

*' . . . it's more than just governance . . . It's really the way of thinking, the way the people think. Of course you can have some governance process around there before you go out, just send me the presentation, whatever, that's probably the first step . . . but eventually what you really want is the way people think . . . it takes intellectual moral discipline to do that . . . and of course there's a personal element . . .'*

The fact that Andre introduced me to others inside ZFS is evidence that I had met sufficiently his expectations of someone that he could 'work with'. He was sufficiently motivated about the way I thought to invite me back. Similarly, James Gardner, of Lloyds TSB, shares the same views as Andre. He said, 'To be successful at selling to Lloyds TSB, they (the sales people) have to be charismatic enough to get in the door, which is actually quite hard. And then intellectually powerful enough to be able to challenge us in a way that we haven't thought of. And you know those combinations of people are rare.'

The fact that I had invited Andre to lunch with Bill Stephenson at an early stage in our relationship was driven from a desire to put Andre in contact with a company that he respected and one where he could share best practices. This demonstrates 'client-centricity'. The fact that I have a mindset that is prepared to look outside our company's services to bring value to our customers is also important as it indicates a desire to be collaborative. The fact that a company as large as Hewlett Packard is also confident in using our services, makes Andre feel more comfortable in recommending us as a supplier.

Client-centricity was also demonstrated through attending the presentation by ZFS's Customer Relationship Team Vice- President in Dallas. I was able to widen my network of contacts inside

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Zurich and, at the same time, have a much deeper appreciation of their business and their Value Chain. By understanding their business and knowing two senior colleagues, I was able to have a more informed conversation with ZFS's Head of Global Sales. I was beginning to understand the global logic (Hennessey & Jeannett) of Zurich and relate this to my doctoral research project. The Head of Global Sales was sufficiently interested in my research topic and the way it challenged conventional norm (Tactful Audacity) that he invited me to work with him at the ZFS conference – this, in spite of them having contact with a US-based sales training company and Mercuri International.

By suggesting to HP that it should consider the idea of co-creating a joint Master's programme on Global Account Selling as part of the deal strategy, I was being 'proactively creative'. This was an idea that it had not thought of and, whilst it chose not to adopt the idea, was an example of how I continued to think of its interests outside the context of billable consulting revenue. In a similar way, by linking Alexis Langagne to Andre Guyer, I was being proactive about bringing these two companies together.

When we were asked to collaborate with our main competitor, Mercuri, we were enthusiastic and open. Being transparent demonstrated authenticity and client-centricity at the same time. If I had refused, it would have sent the wrong message.

### **Has Taking a Values-Based Approach Moved Us On?**

Since October 2006, I have been consciously challenging myself to win Zurich as a client using the four values as my framework to develop a relationship. Consalia now has a new client. From a revenue perspective, the value is quite small. However, the fact that Zurich invited us to do the only keynote presentation at their first global account sales conference, where over 100 of their Global Account Team attended, is significant evidence that the research conducted over the last four years is of strategic significance – this has high value to me personally and to Consalia. Alan took a risk in having a small company, whom no-one knew, play an important role at the conference and he, personally, was exposed by inviting me to attend. The fact that, following the presentation, Zurich asked Mercuri to incorporate our Values-Based Approach in their Competency Model provides further evidence that the message was not just endorsed by Alan and Andre but also by the senior management team of Zurich. Thus, Alan's reputation has not been harmed; on the contrary, it may have been enhanced. As a result, he is more prepared to involve us in other projects, so hopefully our relationship will develop. Through developing a deeper understanding of Zurich's business, I hope we add incremental value and enable it to gain competitive advantage through the way in which it engages with its customers. By doing so, in turn we will benefit.

### **What Steps Has This Taken to Move the Profession On?**

The dialogue we had with Mercuri International had been positive. Tom had inferred that he wanted to introduce us a client of theirs to share our research findings, and indeed this would be an indication of the appetite of others in our profession to introduce new thoughts and ideas to customers. This had yet to happen. To what extent would he keep to his word? It would take time before we could assess the extent to which Mercuri too would adopt a values-based approach in their approach to training and development. At this stage of our relationship, I would say we had a healthy and animated dialogue with an important player in the sales training market place. Time would tell as to whether this transpired to action. This takes me back to Andre's comment that communication without action is not communication. If Tom does nothing, it implies that he had simply played lip service to our research findings in order to keep both Zurich and Consalia happy.

### **6.7.5 SingTel Case Study**

How transferable is a values-based approach to selling across geographic borders?

On a recent trip to Singapore, I was invited to meet with SingTel (Singapore's equivalent to British Telecom) to discuss a proposal on retail selling strategies. Prior to the meeting, my Singapore-based colleague, Corrinne Sim, and I decided to do some research in advance (Client-Centricity and Proactive Creativity). We visited a selection of SingTel's Retail Flagship Stores, branded Hello, plus their main competitors in order to compare consumer experience. We decided to use the Values Framework to evaluate each step of the sales cycle – from the speed (Time to Serve) and way that we were greeted (Introduction) in the store, had our requirements diagnosed (Clarify Requirements), questions answered (Answer Questions), information provided (Present Information Clearly) and conversation closed (Close). We related each step of the sales cycle to the values framework as follows.

Time to Serve: Client-Centricity – if we were met and greeted promptly we would mark a high score. If we had to wait a long time, we would mark a low score.

Introduction: Authenticity – if we were introduced to the sales person by name and in a sincere and friendly manner, we would mark a high score.

Clarify Needs: Client-Centricity – if the sales person took the trouble to listen carefully to our requirements and asked the right questions, we would mark a high score.

Answer Questions: Client-Centricity and Proactive Creativity – If the sales person answered our questions intelligently and in a relevant and clear manner, we would mark a high score.

Present Information Clearly: Proactive Creativity and Tactful Audacity – if the sales person had suggested clearly the products and services that were relevant, met our needs, considered our budget carefully, and genuinely offered what they believed to be the best advice, we would mark a high score. If we were being 'oversold' or pressured, we would mark a low score.

Close: Tactful Audacity – once our needs were fully discussed, we would mark a high score if they closed the conversation in a good way either resulting in a sale or in a decision by us to revisit the store when we were ready to make a decision.

For the results of our analysis, see Annex 9 – Review of Sales Performance of Mobile Phone Stores in Singapore.

Corrinne and I found that we could easily apply the values framework to each step of the sales cycle. We each visited different stores and calibrated our scores afterwards to check that we were awarding the same points for similar behaviours. The results suggested that M1 stores had a more positive sales culture than the others did, and SingTel fared rather badly. The results also showed the impact of individual sales people.

We shared these results with SingTel. It was surprised and pleased we had taken the initiative to conduct the survey. This prompted them to share another initiative with us based on a then highly confidential launch of a new stores concept. SingTel was keen to explore how our values-based approach could be leveraged to develop its sales staff in these new stores.

We concluded that, whilst we have limited research in the 'business to consumer' market, the SingTel experience suggests that the values-based selling model is as relevant in this market as it is to companies selling complex outsourcing solutions to businesses. We also conclude that, based on SingTel's response to our research, it believes in the importance of its staff adopting the right values, which suggests the concept is transferable across geographic boundaries.

### **6.7.6 Abbey Bank Case Study**

My final case study is based on how I have used the values-based approach to develop a new relationship with Abbey Bank. This case study first sets the context for our sales conversations with Abbey and outlines its requirements, then shows how we have used the values approach to win our largest contract ever.



For some time, we had been nurturing a relationship with Abbey. We had an introduction to Javier Bugallo, Abbey's HR Director, through the work we had done with Santander with our Spanish shareholders, Development Systems. Our first meeting with Abbey was in early 2007, when Javier expressed interest in our services, and it became clear that our relationship with Santander was very important. He respected the work we had done with Santander and explained that Abbey was going through a major transition. He invited us to submit a proposal to help Abbey with its transformation strategy.

We conducted our own research into what analysts and other spokespeople had said about Abbey with regard to its competitive position in the UK market place. We shared this research with Javier as part of the proposal we presented in December 2007. I will refer to extracts of the proposal.

### **Past – Immediate Shareholder Value Delivered**

Bank Santander bought Abbey Bank in 2004 in, what was considered at the time, the largest cross-border deal in the banking sector. This purchase was perceived by the investment community as positive and, according to figures released by the Santander Bank in July 2005, its purchase of Abbey helped the group obtain a rise in profits of over 35% during the first six months of 2005. According to the Santander Bank, this sharp rise in profits was largely as a result of the takeover of Abbey, without which profits would have risen by just over 18%.

### **Looking into the Future from the Past**

On 26th October 2005 (source: Guardian website), a spokesperson for Santander said 'Santander aimed to grow Abbey's revenue by 5-10% annually over the next three years. Abbey's current level of sales productivity ranges from 15% to 35% below the average of its peers, and is significantly lower than that of most its efficient rivals. Abbey intends to push aggressively into areas such as current accounts, unsecured loans, investments and pensions, in which it is under-represented. Abbey is a natural competitor to the big four clearing banks, and it will attack in the areas where it has significant opportunities to grow and take market share.'

### **Current Views of Abbey from Analyst (source: Deutsche Bank, October 2007)**

'The big challenge, however, starts now, not just because the market environment in the UK has become increasingly tougher, but also because, in this second stage of Abbey's integration, Santander has to deliver on the revenue front and demonstrate that it has transformed Abbey into a competitive retail franchise. The last step to achieve this is finalising the IT implementation, which, according to Santander, will be done by late 2007 or early 2008.'

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Although not a pure "monoliner", Abbey still has a high concentration on mortgage products and still has one of the lowest shares of wallet amongst its UK peers. Santander is aiming to transform Abbey into a full commercial bank with full commercial offering and an increasing focus on growing (and more profitable) businesses like bank accounts, insurance, UPLs, financial markets, business banking (SMEs).'

### **Summary of Requirements Following our Meeting with Javier in December 2007**

Abbey faced considerable challenges in implementing its 'second stage of transformation'. Recognising that transformation success was dependent on the attitudes, knowledge and skills of its front-line branch staff, Abbey embarked on a company-wide assessment programme designed to identify the strengths and weaknesses of its workforce. By the time the assessment had been undertaken, results reviewed, training plans developed, training modules designed, trainers trained to deliver the project, and training delivered, much time would have passed.

Santander did not have time to wait. Whatever the outcome of the assessment, it was clear that there was a requirement for Abbey to achieve a paradigm shift in the mindset and skills of its branch staff. Branch staff were 'reactive' and customer service-orientated. Many managers lacked a 'sales management' mindset. They needed to become more 'entrepreneurial' and know how to 'coach' front office staff. They needed to be able to analyse, plan and monitor the sales performance of their branch in a proactive sense.

The requirement was for Abbey to develop a strong sales culture. Santander had been focusing on these issues for many years, supported by Development Systems, which had provided customised sales training and development solutions for branch and other staff. Santander had achieved what Abbey now needed to achieve. Comparatively, Abbey, alongside many of its UK peers, had a poor record in selling. In fact, according to Deutsche Bank, it had one of the worst records in the UK.

By referencing analyst reports, we showed 'Authenticity' in our research findings as well as 'Client-Centricity' – the analyst reports confirmed Javier's opinion of the need to transform the culture of the organisation. We were also very aware that Consalía, as a newly created company, would not win this new relationship on the strength of its brand – we had to somehow reinforce our relationship with Development Systems and Santander, and sell the idea that Abbey should look outside the UK for inspiration as to how to transform its sales culture.

The problem Javier had was that, by the time he met us, Abbey had engaged in a massive company-wide review of the competencies of its staff. Most of the available budget was given to this initiative. He really wanted to trial a training exercise with a number of the banks' branches.

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We suggested that, in return for a non-competitive bid, we would implement a training initiative but based on a shared-risk model. (Proactive Creativity and Tactful Audacity.)

This is not something we normally do but, because we were confident that we had 'content' from our Santander experience that would produce results, and because we saw, in Javier, a real desire to work with us, we designed a shared-risk model based on our being rewarded on the incremental increase in sales produced at the branches we trained. Javier then introduced us to Mark Clay at Abbey, who was in charge of learning, and we presented our proposal. Mark and Javier were pleased with the proposal and liked the 'meritocracy' of the deal we had proposed (meritocracy is one of Abby's core values). However, there were some steps that had to be taken internally before it could give the go ahead. In the shared-risk model, we also demonstrated Client-Centricity, as Javier was seen by his peers to be acting proactively through our proposal with a solution that could work within tight budgets.

However, at the time this did not produce the result we wanted. Time passed and Abbey was very difficult to contact. In the Spring of 2008, Javier met with us and shared some confidential information. He made it clear that Abbey was about to embark on a much larger project. Its analysis of the needs of its branches was completed and it was clear that, in order to meet its targets, it wanted to train its Regional Managers to train its Branch Managers. At first, we were slightly disappointed at this strategy as it meant a much smaller project. He said that this project would go out to tender and that we would be invited to respond. He also said that he would be very keen for us to win the tender. This showed us that the work we had done before was not in vain and had helped to win us a supporter. Javier was key in getting Consalia, an unknown company, on their bid list.

Knowing that Abbey was about to write the Invitation To Tender document, we started work straight away and decided to conduct more detailed research on what we had with Santander in Spain, Portugal and Brazil. (Client-Centricity and Proactive Creativity.) We also researched how we had approached Train the Trainer programmes – we were concerned that the Regional Managers were being asked to become trainers and whether they would they have the skills to do what, to us, seemed a very different task from their normal day jobs. (Client-Centricity.)

We received the Invitation to Tender in the early summer of 2008. In reading this it became clear that Abbey saw this project as being a change management project. The scope of the project included designing train the trainer modules, and a request to design and deliver six, two-day Modules of training for the Regional Managers. Abbey wanted coaching support provided for the Regional Managers before they delivered the training to their branch managers. Abbey also wanted some sort of certification programme. We could see that this project was going to be much larger than before and we were really excited about Abbey's desire to embed the learning.

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Key to the quality of our response, and meeting Abbey's requirements, was the team we selected. We identified two key members of Development Systems (Maite and Miguel) to help us with the Bid Response. From Consalia, Libby Drake, Geraldine Locke, Steve Robinson and I were involved. We felt that we lacked trainers with the requisite skills in retail banking. This, we knew, would be an important issue as Abbey had made it clear that they wanted to meet the trainers at the presentation stage. In June 2008, I had met Libby Drake (then based in Australia) at a conference in Singapore. She made it known that her partner Michael Eustice, who had worked with HBOS in the UK in sales and then training, and then Westpac, the Australian bank, was interested in leaving and working freelance. He would be keen to work with us if we had the opportunity. Though he was working with Westpac at the time, I asked if he could work with us on the Bid and also be available to come over to London for the presentation meeting. He was delighted to get involved. The risk was quite considerable in terms of cost – we had to fly him (and Libby) over and as he had not left his existing employers, he had to do this in his holiday time, plus, if we won the contract, there were issues with relocation. I decided, having known Michael for two years or so, that he would be an ideal trainer for Abbey for this project. (Client-Centricity, Proactive Creativity, Tactful Audacity, and Authenticity.)

Finally, there was the consideration of certification. For a couple of years we had worked with Middlesex University. At a personal level, I had experienced work-based learning with my doctorate and I am a great believer in the value that such a learning approach provides work-based practitioners. At a client level, we had also set up, and successfully run, a Master's Programme for Hewlett Packard using a work-based learning framework – the first two candidates from Hewlett Packard had passed successfully with Distinction and they, too, were thrilled with the experience. I was keen to collaborate with the University in certifying the programme and called Anna Kyprianou, the Dean of Middlesex Business School, and between us we developed a short proposal for accrediting the Modules we would design. In addition, we asked if Dr Peter Critten from the University could participate in the presentation. Having worked with Peter for some years, I was confident that his presence would be helpful. I guessed that none of our competitors would form a partnership with a university to provide this level of certification and that this collaboration would make us unique. It would also demonstrate integrity in our approach, in that academic certification has more rigour than other forms of certification. (Authenticity.)

Abbey had invited four companies out of eight to present. We made it to the final four and hurriedly had to organise for Mike and Libby to fly to London from Melbourne. We decided, as Javier and Mark had met us before, that we would test ideas with them about our proposal before the presentation, even though in the written documentation it was explained that we should only deal with the procurement department at this stage of the procurement process. We felt that if Abbey really wanted to help us, they would be happy to take the odd call. They could always

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refuse. In the event, we were allowed to call them – as we explained, it was in their interest that we would present the best solution. We saw this as a positive sign. (Proactive Creativity and Tactful Audacity.)

This was becoming a hugely important pitch. We knew that our success would be based on how we performed on the day – initially we were told we had 90 minutes to cover the topics they wanted, but a week before Abbey reduced the 'pitch' to 60 minutes. As Abbey was so explicit in what it wanted to see in the presentation, we knew that every word would count. We decided that I would introduce the presentation, Maite Fuentes would tell the Santander story, Miguel would talk about a web-based monitoring tool, Libby would then describe the way we would design the training materials, Michael would show how we would approach the delivery with Angela, and then we would have a Q&A at which we could take questions. We would also have people in the room, such as Peter Critten and Steve Robinson, who, though not participating in the presentation, could answer questions.

I racked my brain as to what could we do that would help Abbey to make the decision to use us. I thought of the 3rd Perspective Thinking Model and considered the enormity of the decision for those that we were presenting too. They would have to justify their decision to the main board of Abbey; they would have to be convinced that we had the skills and team to deliver to their Regional Managers. We knew from the brief that they would be a 'launch event' in September, at which the successful company would present the programme to the Regional Manager community. I imagined that, as we presented to the eight or so panel on the 31st July, they would be considering us standing in front of 'their customers' at the launch event and thinking – can we visualise Consalia doing this? (Client-Centricity.)

I decided, therefore, that we would have a slight twist to our presentation. We would explain that, in order to help them visualise what it would be like to work with Consalia, we wanted them to imagine that they had already made the decision to use Consalia and that we would tell the story as if we had done the research and design of the programme as it was being launched in September. This was high risk – Abbey may interpret this as being arrogant not Tactfully Audacious. I consulted with the team and we all agreed that with well-chosen words this approach would be different, innovative, and would help Abbey visualise what it would be like to work with us. (Proactive Creativity and Tactful Audacity.)

The next challenge was how to structure the presentation so that all participants worked together – after all, Michael was new to us, and Libby hated presentations! Maite and Miguel were from Spain and though they could speak English well, they were not totally fluent. We realised we needed to write a storyboard with each word carefully chosen and then rehearsed so we knew we could keep within the time allowed. Everyone contributed to the storyboard. It was clear that

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Libby and Michael were key and they arrived a week early to get over the jet lag and rehearse. I have never before rehearsed as much as we did for this presentation. Michael was a revelation. He had been in Theatre before and knew the importance of rehearsal. He was able, by the morning of the day of the presentation, to deliver his presentation word perfectly. Libby the same. With confidence, we went to Lombard Street to deliver the presentation. As we entered the meeting room, the procurement manager of Abbey said under her breath 'please don't go on too long about Consalia – this was a mistake the first company had made.' This did not concern me as our storyboard made no mention of Consalia at all. At least we knew we were now one of three final contestants. The presentation was delivered as we planned. We finished exactly on time and had 10 minutes for questions. There was silence at the end of the presentation and I wondered if we had got it wrong. I doubted it as I had gone to the back of the room and observed the body language of the Abbey team. We certainly had their interest. Even Libby, who hated presentations, got the Abbey team to laugh. Her contribution was immense – very believable and very thorough. I remember being very proud. I was, in fact, a small player on this particular stage; the actors were the team that was assembled and all had done such an excellent job. The questions then came and, towards the end, Mark Hixon, Abbey's main decision-maker, asked about certification. This was the opportunity for Peter Critten to participate. The informality of the dialogue that took place was a great contrast to the structure of the presentation. Peter was able to provide a very clear picture of work-based learning and what accreditation could do. We left thinking we could not have done a better presentation.

Shortly afterwards we got the call saying that we had been down selected and that Abbey wanted to negotiate terms. It was made clear that if we could do a deal with Abbey, the project was ours – we were not the cheapest but we had the best proposal. Three weeks later, we had signed the agreement and won what has been our largest project ever!

Now, three months later, in addition to the design of the Modules, we have created a framework for certification that has gone way beyond the original concept of Accrediting Modules. We have designed for Abbey, with Middlesex, an Advanced Diploma for Retail Banking certification. This means that the Regional Managers will end up with a university-recognised qualification that they can take to degree and Master's levels if they so wish. This is a first in the industry and a great motivator for all taking part in the programme. It is an example of how we have enabled our clients to take accreditation to a new level. The work-based learning framework means that we have a tool to measure the extent to which coaching skills are embedded in the work place.

Throughout the Abbey Case Study, I have made reference to the four Positive Values and how these have been used to guide our response and actions. We used the Values Framework to challenge our thinking, challenge the customer, and deliver the best and most innovative

solution. At a call before Christmas, Abbey said that we should all be congratulated for creating what it believed to be a unique development solution.

This case study has brought together all the elements I had hoped would enable Consalia to deliver exceptional value to our customers. Our collaborative mindset has meant that we have looked outside our company (Development Systems and Middlesex University) to bring the right resources to bear – this has been much appreciated by our client. We have successfully combined the 'science' of course design with Libby's skills and the art of course delivery through Michael and Geraldine, the two trainers on the project. Finally, this journey has demonstrated the importance of having a values-based mindset. By living the values, we have won a most important contract. I feel that I can throw away the traditional sales approaches and recognise that, by focusing on the Positive Values, the behaviours for effective selling naturally emerge.

### **Key Learning from Abbey Bank**

Our research suggests that earning trust is the baseline point of entry for customer-supplier relationships. The limiting values, such as Ego-Centricity, Manipulation, Complacency and Short-Sighted, can be linked to Maister et al's 'Self Orientation'. Like Maister et al, we agree that if a customer observes these limiting values being lived, there is breakdown in trust. Unlike Maister et al, our research suggests that customers now look for more 'value' from suppliers and that this value is seen in behaviour that reflects the values of 'Tactful Audacity' and 'Proactive Creativity'. Our research suggests that a deeper layer of personal relationship and trust is achieved if the customer also sees suppliers living the values of Tactful Audacity and Proactive Creativity.

Our research suggests that customers do not necessarily see the key account manager as the expert, but as the person who is able to secure the right resources from inside the organisation or outside the company, who has that expertise. As one interviewee said, 'The role of the key account guy or person is to make sure he is orchestrating this particular symphony.' The word 'ability' can include the knowledge and skills required to secure the right resources in order to fulfil a customer requirement.

*'...sometimes that may require saying we don't have the solution for you that does that, and maybe referring the customer to another vendor that has that solution, another supplier that has that solution. I think to take that approach would result in being perceived as a trusted colleague rather than just a vendor, and having that position of being a trusted colleague is probably very valuable in the long-term, is worth aspiring towards.'* (New Ventures Director.)

Some solutions require different skills and abilities.

*'What we are asking from our suppliers is to bring all his representatives from his department to present to all our teams. The new things, the new waves, what his research and development department is doing. So it's not any more one person to one person, it's a big number of departments talking to a big number of departments.'*  
(Innovation Director, Bank.)

The value of 'Authenticity' will reflect in behaviour that recognises one's strengths and weaknesses; the value of 'Client-Centricity' will enable the sales person to look inside his company or outside the company to bring the right resources to the client.



## **PART 3: THE FUTURE**

## CHAPTER 7: CONCLUSIONS

### ***7.1 Context of the World in Which We Live Today***

I commence this penultimate Chapter on 12th October 2008. The weekend's papers describe the dire, global economic situation the world is in. 'In an unprecedented move, six of the world's most important central banks yesterday announced simultaneous emergency interest rate cuts of half a percentage point' (Financial Times, p.1, 11th October 2008) in order to avert recession. The IMF warns of global meltdown (Source: The Sunday Times, 12th October 2008), saying that markets could collapse by a further 20%. Trading has been suspended indefinitely on Jakarta's stock exchange after its stock values dropped more than 10% in one hour. Such has been the speed of the economic collapse caused by panic selling across the globe that both world governments and banks are having to act with unprecedented immediacy. The extent of the emerging connectedness of the world economy is becoming clear. Who would have thought that the sub-prime mortgage crisis in the US would lead to a 20% drop in stock market values across the world? Iceland, which became a dominant force in world financial terms, now faces financial ruin. Prime Minister Geir Haarde (Source: The Sunday Times, 9th October 2008) said, 'What we have learnt from the whole exercise is that it is not wise for a small country to take a lead in international banking.' The ex-Icelandic President, Vidgis Finnbogadottir (The Sunday Times, p.2, 12th October 2008) commented, 'We have talented men, but unfortunately they flew too high. We recognise that perhaps people invested too much. But that's the weakness of mankind.'

Much has been said, and will be said, of the greed that has fuelled the unprecedented growth post 9/11. Richard Fuld, the ex-Lehman Brothers' Managing Director, who has personally made hundreds of millions of dollars in the run up to the bank's collapse, was unrepentant in the face of the Congress and blamed external factors for his bank's demise. It is hard to understand that three days before the bank went bust the Lehman Brothers board signed off on more than \$100 million in payouts to five top directors (The Sunday Times, Business p. 2, October 12th 2008).

It is notable to see reference of the current demise being attributed to 'weakness' and negative values of 'greed'. Now, more than ever, perhaps the topic of values and its global inter-connectiveness is relevant for those in the buying and selling of goods and services.

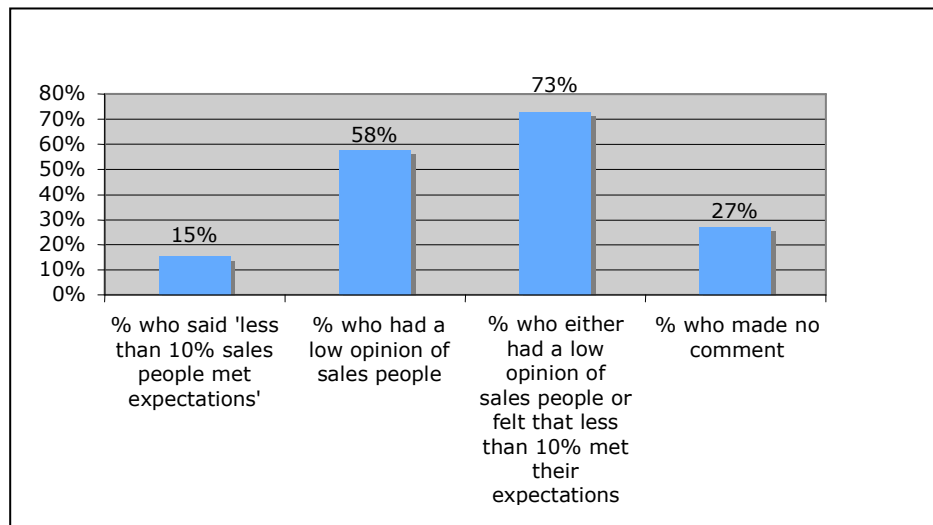
### ***7.2 What is the Relevance of This Enquiry – Is There a Burning Platform?***

An apocryphal story describes how a worker working on an oil rig was awakened by an explosion and found himself facing the decision as to whether he should stay on the burning rig or jump 150 feet into the sea, also burning and covered in debris. In the final event, he jumped and

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fortunately was pulled out of the sea alive. When asked what made him decide to jump, he said that in his mind it was a choice between certain death and probable death. Burning platforms are used to describe pivotal moments that lead to change in behaviour. Whilst there is no question that the financial crisis can be described as a burning platform, to what extent does my research suggest that there is a burning platform in the way in which sales people think, strategise and engage with customers?

From 2002 through to 2008, 88 interviews were conducted with customers and key account sales executives. Of these, 66 were customer interviews. Figure 7.1 shows that 73% either had a low opinion of sales people or said that less than 10% of sales people met their expectations. This is a 'burning bridge'.



**Figure 7.1: Percentage of Sales People who Met Customer Expectations**

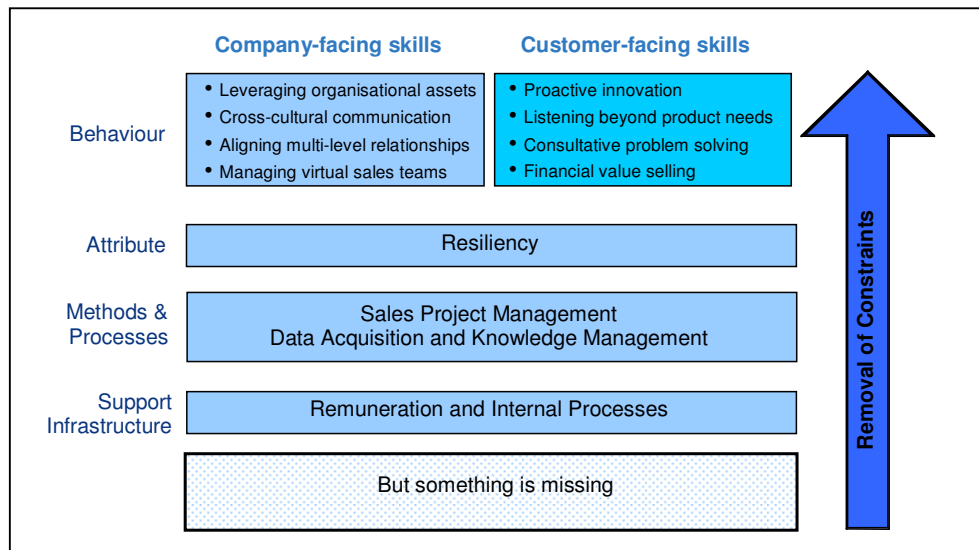
These statistics are also endorsed by fellow consultants and authors (Bosworth & Holland, 2004, Fielder, 2002, Hanan, 1999, and Legat & Woehr, 2002,), each of whom has formed the opinion that only a small percentage of people exceed customer expectations.

My research has shown that, when making purchasing decisions, customers seek a layer of value that goes beyond the product or solution. Customers look for a complex amalgam of attributes from their account executive: the ability to sustain intelligent conversation (as one interviewee stressed, 'Don't give me data, give me intelligence!'); leadership to leverage resources from disparate parts of their organisations ('I want a sales person, I just don't want him pointing at me, I want him pointing back inside his organisation, I want him to leverage my weight and power back inside his company in order that I can get a better deal all round.');

collaboration to work with resources from both inside and outside the companies that both parties represent;

underpinned by authenticity ('We would like to work with honest people.'). The baseline point of entry for sales people to be effective in selling complex solutions has changed – but to what?

In January 2004, using a competency model mindset (see Figure 7.2), I created the following global account selling model. This helped to define the factors that affected global account selling effectiveness. The model defined 'internal-facing' competencies and 'company-facing' competencies, and considered an organisation's processes that supported or hindered a sales person's ability to sell and develop strategic account relationships.



**Figure 7.2: Attributes Required for Global/Complex Selling Effectiveness, Version 2**

Though these insights are relevant, many of the attributes identified above are well established and have been for some time. Furthermore, continuing interviews with customers throughout 2004 and 2005 reinforced the 'burning bridge'. Given that the attributes listed above are fixable through training and/or policy, I came to the conclusion that perhaps I was missing the point, missing clues as to the reasons why there is such a mismatch between what customers want of sales people and what sales people deliver. It was back to the drawing board for another reflective cycle.

So, what practices inform today's sales practices as they relate to key account management and selling complex and or global solutions?

### 7.3 *Ontology of the Sales and Sales Training Profession*

Reflecting upon my personal approach to sales and sales training, literature research and speaking to colleagues and customers, I observe that many current sales and sales development practices are based on two types of belief systems, which I shall refer to as 'myths'.

Myths, in the Ancient Greek and Roman systems of thought, describe values and beliefs, and are regarded as being true. In modern times, the word 'myth' does not necessarily imply truth but does imply a belief system. Myths are created when a sufficient body of people follows a particular hypothesis that has not yet been grounded in research. Truth emerges from rigorous testing which is validated through application.

Currently, there are two types of belief system, i.e. myths, as to what is required for sales forces to be effective in the way they conduct their relationships with their key accounts – see Table 7.1. These myths underpin sales practices today. I use the term myth to reflect the fact that there is little academic evidence to demonstrate whether these belief systems actually work. As referred to earlier, findings from academic research (Ivens & Pardo, 2008, and Napolitano, 1997), suggest that current key account management practices are not effective, and are not widely adopted (Argyris, 1966).

**Table 7.1: 'Process' and 'Technique' Myths**

<b>The 'Process' Myth</b> <b>The sales scientists</b>	<b>The 'Technique' Myth</b> <b>The sales behaviouralists</b>
<p>This myth is grounded in the belief system that sales effectiveness occurs by following a rigid and structured sales method. The ontology of the Process Myth is that sales result from defined actions and that emphasis is on setting well-defined targets, close monitoring of activity and results performance. Supporters believe that 'sales' is a numbers game. Throw enough 'mud' at the wall and some of it will stick. Belief in the process myth has fuelled a huge expansion in what is referred to as Customer Relationship Management Systems. These are hugely expensive IT systems that provide more sophistication to the process of targeting activity, sales</p>	<p>This myth is grounded in the belief system that sales effectiveness occurs through sales people adopting the right technique. The ontology of the sales behaviouralist is that they claim to control behaviour through technique. Each part of the sales process, from making appointments, setting agendas for meetings, questioning skills, presentation, negotiation and closing, is supported by techniques. Belief in the behaviouralist approach can be seen in the significant number of books on technique often written by 'super sales people' who have based the book on codifying their personal sales success. Many sales training courses are technique-based</p>

pipeline management, account planning activity, and analysis of sales results. The complexity of such systems leads to much frustration in the sales force, which considers these systems too rigid.	courses designed to structure the behaviour of the sales person for improved effectiveness. Focussing on tricks of the trade is, at worst, seen by customers to be manipulative.
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My personal experience of applying process and technique-based approaches to developing sales effectiveness leaves me unconvinced that these approaches work. I have rarely witnessed customers commenting positively about their Customer Relationship Management (CRM) solution – many customers see CRM as an administrative noose. Of the large deals we worked on, only two had the correct corporate account planning and pipeline management templates. It is interesting to reflect in more depth as to the ontology of 'sales scientists' – their belief system is that, in order to sell more, sales people need to be measured and controlled. No wonder that sales people hate CRM solutions – being controlled through labour-intensive sales administration is counter-intuitive. Not one customer I interviewed mentioned how impressed they were with a company's sales management system, or sales planning methodology. The sales behaviouralists believe that customers need to be controlled through sales technique. Not one customer I interviewed admired a sales person's sales technique. Why do companies invest so much in sales effectiveness projects that have little overt relevance to the customer?

So, back to the key question, what are customers looking for from sales people?

The importance of 'values' emerged after re-reflecting on the transcripts of customer interviews.

These insights though were only possible having explored the notion of values which first 'surfaced' at a Jean McNiff workshop on Action Research Living Theory in August 2006. I now recognise both the importance and difficulty of understanding one's lived values. I understand that 'pivotal' moments enable one to understand the very essence of one's lived values. The journey to explore the construct of lived values started at a very personal level. I was made to question the essence of what values were (Raz, 1999), to reflect on moments in my life that would help me to understand my own lived values (Whitehead & McNiff, 2006). Observing metaphors to marriage made by customers led me to reflect on my own marriage, tsunami experience (my burning platform story) and other experience, in order to review the evidence that would, in turn, help me to describe those values through which I live my life. I feel that this process has provided me with a new awareness of my own motives and what is important. Knowing my values has become a helpful predictor of how I can expect myself to act in any given situation, even those that are life threatening. This understanding has led me to believe that others can do the same. By going through a similarly reflective process enables one to have

clarity and insight into core beliefs that then drive behaviour. Lived values enable one to discover the truth of how you work and operate.

By applying this knowledge to my work practice, I can see how this has led to improved personal performance – the examples of winning business with Zurich, Abbey Bank, Hewlett Packard and PIC are indicators of how this approach is helping our business and my professional standing. In addition, I have had the opportunity to co-create with others the 'values' construct for selling. By working with Hewlett Packard and, latterly, PIC, I have been able to validate the applicability of the values-based approach with many sales people. They, too, have experienced significant success where they have seen the outstanding values being lived by the sales teams, leading to success (Hewlett Packard wins with Anglo-American, Starbucks, Unilever and BT; PIC with B&Q win, and also PIC's failure with Cargill).

I observed that customers look beyond the spoken word to obtain a perspective of a person's values. I have found that there are serious misalignments between the values customers seek in sales people and what they experience.

I conclude that negative behaviours are linked to four 'Limiting/Negative' values – see Table 7.2. I use the term 'limiting' as these values may not necessarily lose a sale, though they could. If a sales person is trained to live these limiting values, or does so through their personality, they will not meet customer expectations and will under-perform.

**Table 7.2: Limiting/Negative Values**

Limiting/Negative Value	Drives behaviour that can be seen as being:
1. Ego-Centricity	Motivated by self-interest, arrogant, individualistic, opinionated, controlling
2. Manipulation	Pushy, insincere, pressurising, dishonest, glib, annoying
3. Complacency	Egotistical, self-satisfied, inattentive, unconcerned, lazy, unoriginal
4. Short-Sighted	Reactive, lacking foresight, lacking accountability, disinterest, unstrategic, unknowledgeable

The very idea of limiting, negative values is interesting. My reasoning is that common characteristics of behaviour imply some kind of value system. However, it is important to remind ourselves that Table 7.2 lists *values that the buyers see reflected in the behaviours and attitudes of sales people – not necessarily values to which sales people aspire*. Arrogance is sometimes seen in sales people who represent large world-class companies – we are big, therefore the best. As one customer interviewee said, 'Don't give me this bullshit about yours being the best

product or best of breed because no one has the best product. It depends on what the business requires.' I suspect that, in many instances, arrogance is sometimes confused with confidence, and is an expected attribute of sales people, and that these qualities are actively sought when recruiting.

As mentioned before, it is at times of trauma and opportunity that one's values come into play. It is seeing how people act at these times that provides insight into their lived values. Knowing Lehman Bank was going bust within days, yet signing off huge bonuses (not yet paid) reveals the values of the corporate bankers involved. I refer to temptation and greed in my dissertation as leading to values seen by customers as manipulative, short-term and ego-centric.

In the same way as we defined the four limiting/negative values, we identified four positive values, i.e. those values that customers seek of sales people – see Table 7.3.

**Table 7.3: Positive Values**

Differentiating/Outstanding Value	Drives behaviour that can be seen as being:
1. Tactful Audacity	Daring, bold, perceptive, understanding, challenging, unconventional, enthusiastic
2. Proactive Creativity	Strategic, forward thinking, innovative, creative, reflective, above and beyond
3. Client-Centricity	Interested, investigative, knowledgeable, dedicated, passionate, accountable, attentive
4. Authenticity	Honest, credible, unpretentious, sincere, ethical, trustworthy, dependable

Over time, I came to conclude that, of these, Proactive Creativity and Tactful Audacity *are the two differentiating and outstanding values*, meaning **they are most important for customers and most lacking in sales people**. However, these values have to be balanced by Client-Centricity (for relevance) and Authenticity (for trust). They can be regarded as sales disciplines, mastery of which is achieved through practice and constant reflection. 'Am I doing the right things for my customers?' 'What creative ideas can I bring?' 'How can I validate these ideas?' And, by doing so, 'Am I doing the right thing for my company?'

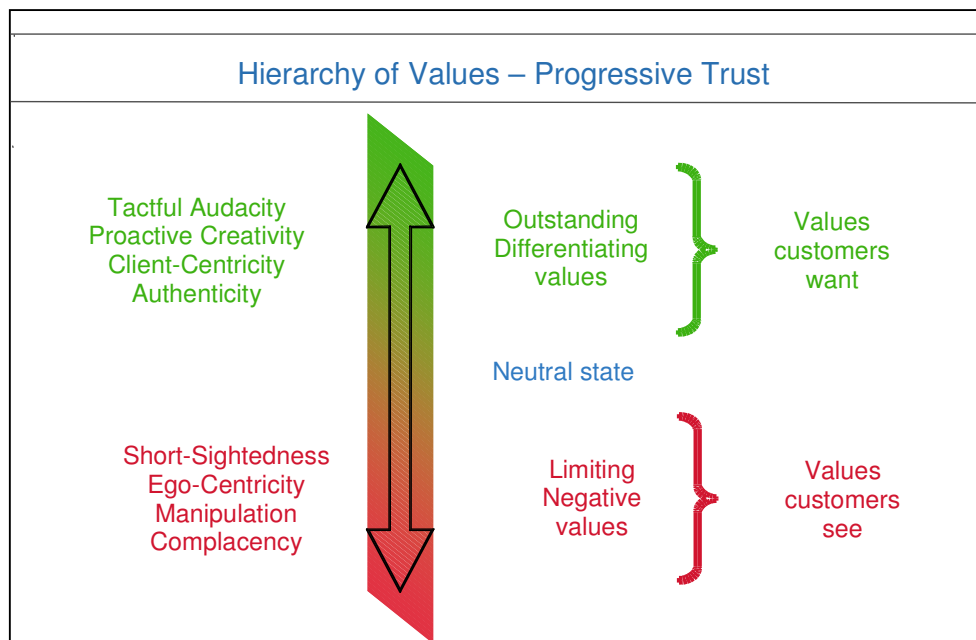


## 7.4 My Values Framework Linked to Constructs of Trust

The literature review described how researchers outline different constructs for trust and the different factors that influence trust. My research introduces the notion that trust has different levels of profoundness. As an example, one of the people I interviewed at Cargill said:

*'The ability to then sell ancillary services . . . that's really what you might want to do once you've developed the relationship a bit more.'*

Effectively he was saying that, until I trust you at a basic level, do not expect that we can explore new areas or new ideas. Again, we can liken the relationship of a buyer and seller to a marriage 'process' – where engagement allows both parties time to ensure they are both aligned. Marriage, however, takes the commitment onto a new level. This comment led to the idea of Progressive Trust, as shown in Figure 7.3.



**Figure 7.3: Hierarchy of Values – Progressive Trust**

A sales person has to earn the right to live the values of tactful audacity and proactive creativity. Unless a customer feels that the sales person is someone in whom they can trust, they will view proactive creativity with *suspicion*, and tactful audacity as *arrogance*. The baseline point of entry, therefore, is being authentic and demonstrating behaviour that is client-centric.

The research shows that, all too often, sales people are seen to be living the limiting and negative values – this leads to different levels of distrust. One of my customers said that 'trust' is

not the same as 'loyalty', implying that it is possible for a customer to show loyalty through repeat purchases but that this does not mean the customer trusts you. The PIC/Cargill story is a case in point for this. As the audit team observed, for two years Cargill had not questioned the contract with PIC, yet during this time had grown to develop a deep sense of mistrust of PIC. The relationship had become so bad that it was almost impossible for PIC to recover.

It is clear that whilst customers want to be challenged (Tactful Audacity) and want suppliers to be proactive (Proactive Innovation), they only allow suppliers to engage fully at this level when trust has reached a certain level, at which point they divulge insights about problems they want to be solved or opportunities gained. A global account manager recently endorsed this perspective. He used the term 'customer-driven innovation' to describe a project that his customer asked him to engage with. It was clear that the customer could have invited any number of suppliers to consider this particular project. He entrusted this particular vendor with information that was not divulged to others. The global account manager was able to use this information to drive through an innovation that had never before been attempted in his industry. As a result of a trusted relationship, he was able to live the values of proactive innovation, thereby reinforcing the value of the supplier to the customer which, in turn, would strengthen the trust between both parties.

Abratt and Kelly (2002), Castaldo (1994), Geyskens (1996), Raimondo (2000), and Zaheer et al (1998) have all conducted research in the role of trust in supplier-customer relationships. Their constructs of trust are based on trust being absolute – meaning you either have trust or not. The hierarchy of progressive trust based on the four differentiating lived values suggests there are different degrees or depths of trust, each affected by a lived value. The differentiating values are antecedents to trust.

### ***7.5 Validation Through Living the Differentiating Values on Live Deals***

The 24-month project working with Hewlett Packard's EMEA outsourcing team, where a total of \$4.2 billion dollars has been closed on deals where the values-based approach was applied, endorses this new values-based approach. All of the deals closed were with global customers. At a 70% conversion rate, we found there is a more than a triple chance of winning deals using this approach when compared to deals that did not use the approach.

At PIC there is evidence that the values-based approach helped to secure their position in a key account that they were about to lose. By linking Values to Value Creation, they were able to articulate a new value proposition and retain their relationship with their account. As one key decision-maker said, PIC would 'definitely not' have made it onto the supplier list if they had not 'acted so quickly on our feedback'. Where relationships are long-term, as was the case with PIC

and Cargill, they had a relationship of first pass supplier to Cargill for seven years or so; the key question was how to deliver sustainable value. It is so easy with existing relationships to fall into complacency. An answer could be in creating a 'governance structure' in contracts which sets targets and measures the aspects of the relationship that are important, and which may go a long way to ensuring lived values are sustained throughout the duration of a contract.

By helping our clients to achieve success using the values-based approach, we, too, have benefited as clients have sought our services – the relationship with customers has changed from supplier to strategic partner as we have become an extension of their sales force and helped them to win large deals. Together, we have tested the concepts and co-created a new sales 'mindset' based on living the values.

## **7.6 What Are Some of the Barriers to Implementing the Values-Based Approach?**

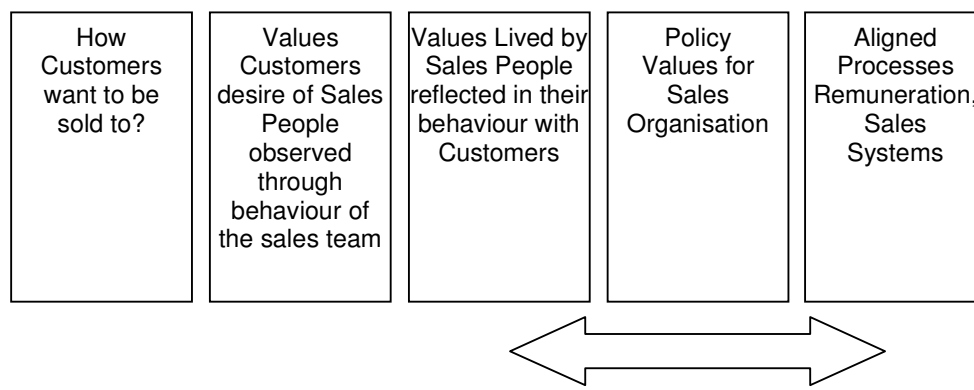
We learnt that the journey is not easy. Breaking the cultural mindset *from within* was as difficult as changing the cultural mindset *from without*. In situations where customers see these deals as purely transactional, and where procurement departments are trying to have all vendors compete at the same level so they can compare 'apples with apples', sales people have to be particularly compelling, creative and audacious to change the transactional mindset to a values-based mindset. I suspect the same values we have developed externally to customers also apply internally to the suppliers, as sales people seek to leverage across the different 'silos' of an organisation where the same resistance can be found. When discussing our research findings with global account executives, it is clear that those companies' sales processes and remuneration systems often encourage 'limiting values'. Short-term bonus payments encourage short-term vision and individualistic and ego-centric behaviour, and silo mentality makes it very difficult for sales people to leverage across their companies and perhaps leads to complacency – the effort of trying to orchestrate the resources of their company is simply too much.

My findings show that whilst many companies establish corporate values, their approach to values stems from an inside out perspective, (Barrett, 2006, Cameron, 2006).

Our suggestion is that, by taking a client-centric approach to setting policy on values – an outside in perspective – companies would forge closer and more lucrative and strategic relationships with their customers.

I revert to Webster's comments that 'CEOs must give clear signals and establish clear values and beliefs about serving the customer' and question the extent to which researchers have defined the values and beliefs for key account management programmes. Figure 7.4 describes

a logic that should be used to embed a systemic values approach as part of a company's core strategy. If the role of senior management is to include a values-centric approach to customers, they first need to define how their customers want to be sold to. This will help them tailor the relational aspects of the sales process to their customers' needs. Once this has happened, they can then develop the right processes, remuneration and sales systems that can encourage the right behaviour in the field by sales people.



**Figure 7.4: Outside In – Inside Out Approach to Values**

Could it be that Values and Beliefs are central to the reason why KAM programmes fail? If the right values are in place, how would this influence the systems and processes that companies develop to support their customers? If we take the conclusion that constraints are caused by policy, and we accept our research findings, we can suppose that companies who have set policy based on 'sales values' are more successful than those who do not.

Thomas Kuhn (1996), in his book *'The Structure of Scientific Revolutions'*, describes paradigm shifts as 'major turning points' in scientific history, and says that 'each necessitated the community's rejection of one-time honoured scientific theory in favour of another incompatible with it.' Can this notion be applied to the profession of sales by moving away from process – and technique-focused sales methods towards a values-based approach? In the past, I have considered whether or not the emerging model is a paradigm shift. Certainly, it would appear to be new, but a paradigm shift can only be achieved when a sufficiently large body of practitioners, academics and companies are seen to be endorsing the topic. Whilst there are signs of the

relevance of values in today's commercial selling world, as evidenced by books written on Trust and Authenticity, there is some way to go before this thinking becomes a paradigm.

## ***7.7 Gathering Interest in the Topic at a Global Level***

### **7.7.1 Asia Pacific**

In June 2008, the Singapore Institute of Management (SIM) invited me, and our CEO for the region, to provide a Key Note speech at one of their quarterly events. This was our first 'public' engagement. The topic provoked such interest that our CEO was also interviewed on live radio. Eighty participants attended from 50 companies. Singapore, we were told, is very conscious of the importance of building its brand in the international community. Its brand is affected by tourists' and business travellers' perceptions of how they are sold to by locals. One only has to wander down the Creek, a well-known destination point in Singapore, to understand why this topic is so relevant – here, one is harassed by countless waiters imploring you to eat at their restaurant. The hard sell turns customers away.

The research Corrinne Sim and I conducted in Singapore with retail mobile phone stores was interesting at two levels. Corrinne is a local Singaporean. The fact that she shared similar views of what constitutes good and poor sales practice, and could quite easily use the Values Framework to assess sales people, shows that the model has a trans-national appeal. This opinion has been endorsed by SingTel. When we shared the results of our research, they too shared their concerns as to the extent to which their sales people were living the right values. The 'Tactful Audacity' we demonstrated in conducting the research (without their knowledge) and the 'Proactive Creativity' in helping them to frame the core values required to sell effectively, has helped us to develop an important relationship with SingTel. This is an endorsement that the lens through which we are viewing sales effectiveness resonates across cultures. Furthermore, the research suggests that the values are as relevant to selling relatively simple products to consumers, such as mobile phones, as to selling the hugely complex, outsourcing solutions that Hewlett Packard is selling.

### **7.7.2 USA**

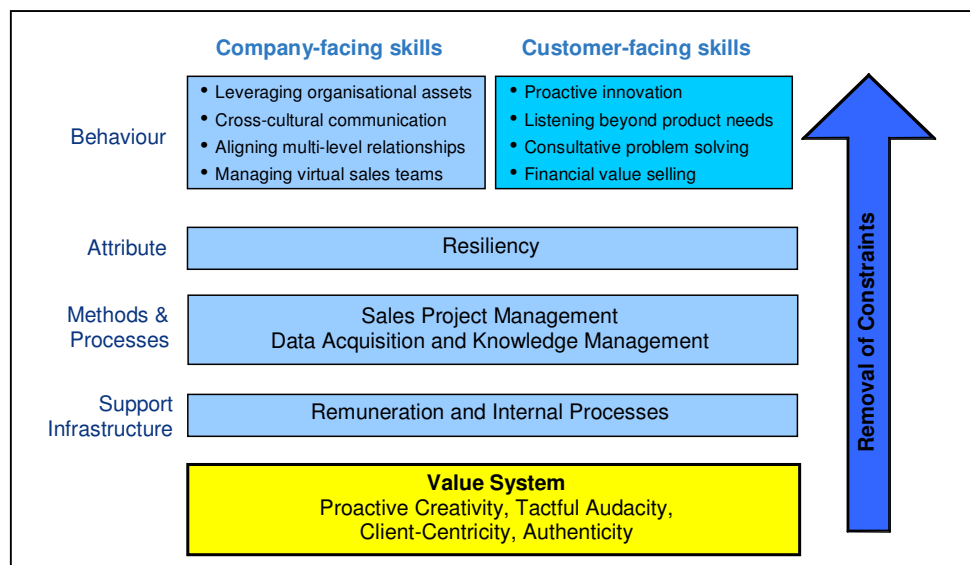
The Strategic Account Management Association, a US-based and the most well known association focussing on account management selling practices, has published, in 2008, an article which I co-authored with Michael Hurley and David Hennessey. (See Annex 2 – Winning Large Complex Opportunities at Hewlett-Packard Co.) The article describes how the values-based approach has helped Hewlett Packard to improve its success in winning large and complex sales. This publication is a sign that the international community of practitioners is interested in the topic.

The adoption of the Values Framework in October 2008 by the US-based account team at PIC to win a larger share of their account shows that the approach is exportable. This is the first evidence we have of a USA account team selling successfully to a USA customer using the values approach.

## 7.8 *Reverting Back to the Original Framework – Where Has This Journey Taken Me?*

Our research suggests that companies will achieve greater sales performance by having to look beyond the traditional techniques, skills and processes. These are simply the tools that reflect the DNA of behaviour – values. The right behaviours will only come about in an 'authentic' way if they are hard-wired into a sales organisation's 'belief' system, i.e. if you believe in something strongly enough, you will devote time to it and do it.

I conclude that a strong client-centric value system is required to support the development of the sales organisation – see Figure 7.5. (None of the companies we have interviewed has developed such a value system.) My opinion is that Support Infrastructure, Methods and Processes, Attributes and Behaviours are required to be aligned to the Value System. The job of management is to remove the 'constraints' that often result in limiting values. By living the differentiating values, the sales force will be a top 10% performer.



**Figure 7.5: Attributes Required for Global/Complex Sales Effectiveness, Version 3**

## 7.9 *Returning to the Context of Today*

The global public outcry against the greed of corporate bankers and executives will raise the whole debate of socially responsible values. The implications of the current economic pandemic are yet to be felt as it relates to the principles of how business is conducted.

What is now unfolding on a daily basis out of this economic crisis is a call for a new order, and we can anticipate a new or revised set of values underpinning the way business is conducted. Governments, countries and corporations will, no doubt, be assessing a new regulatory order (similar to that which emerged from the Exxon crisis – Sarbanes Oxley, a US-derived regulatory process) designed to minimise the risk of manipulation of markets and stock prices. Individuals will be the custodians of the new order, and the events of September and October 2008 have unexpectedly added profoundly more resonance to the topic of my dissertation.

Every quarter, sometimes every month, sales people are faced with pressure to close orders in order to make targets, in order to generate the corporate sales that feed into the corporate data that drive analysts' reports, that influence shareholder value and executive and sales bonuses. Companies ensure that sales management systems are designed to encourage the very behaviour that is required to drive this kind of behaviour, in spite of this being the antithesis of what customers want. Customers play the same game. They know that the best time to negotiate a good price on a deal is when the deal will make a material difference to bonus payments.

In my conversation with Michael Hurley at Hewlett Packard about the challenges he faces in living the values, he made it clear that the biggest, single hurdle to 'living the values' is having to fight the corporate system.

I am reminded of Gilbert (1978) who argues that 75% of behaviour is driven by the environment and 25% by the individual – see Table 7.4.

**Table 7.4: *Gilbert's Behavioural Engineering Model***

<b>Environment</b>	Information	Resources	Incentives
<b>75%</b>	35%	26%	14%
<b>Individual</b>	Knowledge	Capacity	Motivation
<b>25%</b>	11%	8%	6%

We can conclude that, unless top management embraces the concept of values by setting a clear policy which encourages the right values to be lived, it will be much harder for the sales person to live the right values.

### ***7.10 How My Personal Practice Moved On***

I have learnt that the significance of key learning is often realised after the 'learning event' has happened. Time and space, and structured reflection help to identify the learning.

I reflect on Polanyi's statement (1958, p.327) 'that I must understand the world from my own point of view, as a person claiming originality and exercising his judgement responsibly and with universal intent.' This almost describes the essence of what has been a most interesting journey of self-discovery. I would rather phrase this as 'that I must understand *my* world from my own point of view...' I cannot claim to understand the world, neither do I have a particular desire to do so, but what I can claim is that I have a renewed consciousness of myself as it relates to my world. This consciousness is at two levels.

The first level is a realisation of what my values are. This has been an unexpected and welcome process – difficult at first, as I have never been made to define them. I reflect back on the values that I described in my Introduction (Chapter One) and would like to add one more value to my list of personal values: the value of simplicity. As I tell my story about values as they relate to what customers expect of sales people, I am surprised at the simplicity of my conclusions and, rather ironically, say that it has taken the best part of four years to define four outstanding values for sales effectiveness, and four limiting values. What is now clear is that the 'efficiency' of the values-based framework is achieved through its 'simplicity', and that through 'simplicity' we see 'effectiveness'. Sales people's lives are complex enough with the constant pressure of meeting sales targets. I remain convinced that one of the reasons why this values-based approach has been adopted is its simplicity.

I recall now that, in 2006, soon after Consalia had been created, we recruited Libby Drake to be our research and learning design consultant. Her first induction day was a visit to the West End of London. Here, we visited two stores. An Italian Furniture Store called R&B and then, over the road, Conran. She wondered why. I responded by saying that I wanted her to reflect on the simplicity of the minimalist lines created by the top Italian furniture designers in the way we approach course design. As can be seen with the journey taken to define and then refine our thinking on the values required to be effective, we have applied 'thoughtful reduction' (Maeda, 2006). It is sometimes argued that there is a fine line between genius and madness, and perhaps one can conjecture that there is also a fine line between simplicity and complexity. Therefore, can one surmise that genius and simplicity are related, as indeed are madness and



complexity? If my contribution to the practice of selling is to reduce its complexity so that sales people and customers both benefit, I will be pleased and feel that I have in some ways helped to move the profession on.

The second level of consciousness has to do with the values that most customers seek of sales people, i.e. the conclusions of my research. Every day I spend time thinking about how I can live these values with my current customers and new customers; every day I see evidence that this framework can help to move relationships on. I realise that living the four differentiating values is applicable at all stages of the sales cycle. It affects every day communication with the client from simple e-mails to telephone calls, to conducting major presentations. It has become systemic within our company and it is becoming systemic for those clients that we touch. With that in mind, it is interesting to reflect on the transformational aspects of this project. We have developed completely new approaches to training and developing sales people grounded on the foundation of values. This transformation has happened because I have learnt how to notice. Argyris and Schön (1978) described 'single loop learning' as being a reflection of actions, and 'double loop learning' as challenging deeply-held assumptions. As early as 2005-2006, I can see that I was driven by a desire to challenge conventional thinking as it relates to the practice of selling, but that the passage of time has enabled me to create new corporate structures, play with ideas, understand assumptions, test theories, converse with others and, from all these activities, form new theories. The greatest benefit of this dissertation is, perhaps, not the result of the research but my personal journey in getting there. The new levels of consciousness I now have as to learning will be applied to future projects. The exercise has certainly been an example of double loop learning. The move from a competency-based mindset to a new, values-based mindset has been quite profound and has been enabled through questioning of deep-rooted assumptions.

Selling is the oldest profession and yet in many ways it has not moved on. There has been no step change in sales practice. The ADAPTS and SOCO constructs for sales performance need to be reviewed in light of research that I (through this dissertation) and Schwepker (2003) have conducted in recent years. Perhaps now is the time for sales professionals and sales leaders to re-think radically what is required. Certainly, customers seem to be suggesting that.

Otto Sharmer (2007) stated that 'Oneself is the person we have become as a result of a journey that took place in the past. The other self is the community we can become as we journey into the future. It is our highest future possibility.' My community has been quite varied: it includes my learning stakeholders, company colleagues, shareholders, customers, my customers' customers, academics, global account practitioners, and account managers. Whilst varied, I have a strong motivation to share the research findings with a much wider community, confident

in knowing that the research has been well-grounded and validated through my own and others' actions.

## CHAPTER 8: RECOMMENDATIONS

### **8.1 *SOCO and ADAPT***

My research suggests that the current models of SOCO and ADAPT are reviewed in the light of my research findings. I suspect that technique-based orientation of these constructs is not appropriate in today's climate. The SOCO model that examines the Customer-Orientation versus Sales-Orientation could be developed to explore the notion of values.

### **8.2 *Trust***

Raimondo (2000) and Maister et al (2002) have suggested constructs for Trust. Our research suggests a Hierarchy of Values – Progressive Trust (Figure 7.3) based on living the four positive values. More research could be conducted to evaluate the extent to which living the values of Client-Centricity, Authenticity, Proactive Creativity and Tactful Audacity builds trust.

### **8.3 *Global Versus Local***

Our empirical research and action research crossed many national borders. Our construct of Values therefore was influenced by interviewees and customers from different cultural backgrounds. Our model suggests that living the four values helps develop sales performance across all boundaries and, therefore, can be a global model. Our research suggests how customers perceive behaviours, and how behaviours inform customers as to the values of sales people. We recognise that at a behavioural level there are cultural differences (Hofstede et al, 2002). How one lives the four positive values will be different from country to country. Developing Trust in Japan as a Japanese person will be different to developing Trust in the UK. To create a global model suggesting the types of behaviours required to live the values could be helpful in suggesting how sales organisations approach training and development across different countries.

### ***8.4 Implications for Recruitment and Selection, Training and Development, and Sales Process***

Do traditional sales competencies map with current customer expectations? We have reviewed a number of traditional competency models for sales people and find that companies are not looking for competencies that reflect two of the outstanding and differentiating values of Proactive Innovation and Tactful Audacity. As this review was limited, I have not included reference to this in the main body of my dissertation. If these competencies are not considered in the recruitment process, then there is little chance that sales leaders will be looking for these qualities. This could, in turn, have a detrimental effect on sales performance.

### ***8.5 Do Traditional Sales Training Programmes Address the Key Competencies and Customer-Centric Value Systems?***

My action-based research has been developed as a result of training and development and selling activities within the IT Outsourcing Industry, Telecom, Professional Services and Financial Services Industry. Other training and sales consulting professionals could explore the use of a values-based approach with other clients in other industries. This would help to validate further, or not, the findings of my research.

### ***8.6 Sales Leadership***

Does sales leadership know how to achieve deeper levels of customer intimacy, and are they coaching their sales teams in the right way? Are a company's sales processes reflecting its core values? Our research indicates not.

Accepting the fact that it is rare to find sales people with the right combination of attributes, companies have to question seriously current and traditional sales competency and sales process best practices, as they are, in their own domain, not effective. Table 8.1 suggests that a switch from Traditional Mindset to a Future Mindset is required for enhanced sales performance.

**Table 8.1: Contrasting Approaches for Sales Effectiveness**

<b>Traditional Sales Practice based on:</b>	<b>Future Mindset for Sales Practice based on:</b>
Structured Sales Process Sales Technique to develop competencies	Grounded Values-Based Approach Systemic Approach to Values, Competencies and sales systems

Our research suggests that senior management support is key. Further research is required to explore the values which sales management believes to be important for sales people, and to explore the extent to which these are reflected in their sales management systems and approaches to coaching.

## **8.7 Living Contradictions**

'You can't be a sweet cucumber in a vinegar barrel' (Zimbardo, 2005). As mentioned in this dissertation, we have seen that a major challenge for sales people is aligning personal values with those of their employers and their customers. It would be interesting to explore how personal values are compromised in corporate sales life and how the behaviours of customers influence a sales person's values.

## CHAPTER 9: FINAL REFLECTIONS

It is appropriate at this point to reflect back on the aims and objectives set back in 2006 when I embarked on this enquiry, and to consider to what extent I met the aims and objectives established in 2006 as part of my RAL accreditation MBS 4002 Module.

### **9.1 Aims**

According to the empirical evidence I collected from 2004-2006, most sales people fail to meet the expectations of customers in terms of how they approach and converse with customers. According to many of those whom I have interviewed, as few as 10% of sales people seem to 'get it'.

Therefore, I embarked on this dissertation to question some of the very fundamentals of what we 'do' in sales and 'teach' in sales training, and to create a new model of thinking and acting based on a lived values perspective that leads to higher levels of professionalism and sales success.

### **9.2 Objectives as Set in my MBS 4002 Paper (2006)**

#### **9.2.1 Objective 1: Values**

The object of my enquiry was to assess the extent to which a values-led approach could help to secure and develop global business – I was interested in exploring the impact that the values 'client-centricity' and 'proactive creativity' had on creating a collaborative, strategic and successful relationship between a supplier and its customers as the research conducted up to 2006 indicated that these were the two qualities most sought from customers.

I outlined that the extent to which I could leverage these new insights (and the same applies to fellow practitioners) would be based on the evidence that I, and my colleagues, could adopt new values, or develop deeper application of these values, in order to create more value for customers. For example, in recognising that the value of proactive creativity was critical for differentiated customer relationships, could I/we develop this value if we are not naturally creative?

An important component of my DPROF would be a personal enquiry about my values. I wanted to explore the relationship between the choices I made for actions I took, the reasoning I provided for these choices, how my values influenced the situation I was in and, conversely, how the situation I was in influenced my values. Given the global dimension of my work, I wanted to research the extent to which my values were shared across different cultures and how people with a different cultural background would contextualise the values.

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I had a sense that there was a very strong link between having a 'values aligned' approach and value creation – values could be/are the DNA of value creation. (I use the term 'aligned' as there are four key stakeholders in the 'values chain'. The salesperson *and* the company they work for, and the buyer *and* the company they work for.)

My Values perspective would be *the* reference point for the other three perspectives of my enquiry.

### **9.2.2 Objective 2: The 'I'**

I intended to create a framework that enabled my customers and partners to judge my values as I went about my work in securing and developing global accounts. This would provide evidence that I was seen to practise what I preached. In particular, I set out to monitor how, as a practitioner, I lived my values with particular emphasis on client-centricity and proactive creativity.

### **9.2.3 Objective 3: The 'Us'**

This framework would also be used to capture how account teams, whom currently we were coaching on large bids, were implementing the values, in particular 'proactive creativity' and 'client-centricity'. I hoped then to include other project teams in the research process.

### **9.2.4 Objective 4: The 'Them'**

I planned to engage with others, such as academic institutions, which specialise in global account management, and the sales development community. I intended to research what was currently seen as best practice through interviewing customers and reading published books on the topic of selling. In particular, I wanted to explore the extent to which the values of client-centricity and proactive creativity were emphasised in current sales training practice. I committed to producing papers and talks at various conventions and, through my own organisation, sponsored workshops that brought together interested parties to reflect on my research and to open up new lines of enquiry. I set out to encourage others in my community to reflect on their own practices both within the formal structure of a Master's or Doctoral Programme, such as the one I am undertaking with Middlesex, as well as in an informal environment of workshops and one-on-one discussions. My ultimate goal was to create some form of legitimacy in my practice through the creation of a collaborative Masters programme validated by Middlesex University, thereby helping to raise new standards of professionalism for the community of sales practitioners.

### ***9.3 Have I achieved these objectives? (2009)***

#### **9.3.1 Objective 1: Values**

Whilst I had originally intended to focus on just two values of client-centricity and proactive creativity, I have now developed a 'values' framework based on four differentiating/outstanding values, and have also identified four limiting values. This framework emerged having reviewed the empirical research of interviews with 66 customers and 19 account managers.

At a personal level I have explored the concept of lived values (see Section 3.6) and related this to the process of selling, and developed a deeper understanding of the relationship between values, beliefs and behaviours (page 61). A heightened awareness of the importance of lived values has enabled me to think differently about my customers and potential customers. Therefore, I believe it is possible to adopt new values.

Of those I interviewed, 69% were based outside of the UK. The values framework was informed by people with different cultural backgrounds. Therefore, I conclude that the framework has universal applicability.

Finally, the extraordinary commercial success (\$4.9 billion dollars) that I, the Hewlett Packard deal pursuit teams and PIC International have had in applying a values-based approach to specific sales deals suggests strongly that values and value creation are inextricably linked.

#### **9.3.2 Objective 2: The 'I'**

I have created a framework (summarised in Tables 7.2 and 7.3) to which I refer constantly when considering new sales opportunities either for Consalia or for its clients. At an early stage of my dissertation I created a questionnaire which I used to define my customers' perceptions of the extent I was living the positive, differentiating values. This questionnaire has evolved into a web-based questionnaire (<http://www.consalia.com/CVS/index.pl>) that enables my clients to provide feedback on me, although this latest version of the personal survey has yet to be tested with Consalia's customers. The survey provides a quantitative assessment of the extent to which I am seen by my customers to be living the differentiating, outstanding values.

#### **9.3.3 Objective 3: The 'Us'**

An adapted form of the web-based questionnaire, to which I refer above, has been applied during the last six months with one of our professional services clients on their top European Accounts, and is now being used by our client to develop their account planning strategies with their key



accounts. In addition, we have developed a value(s) quadrant framework for qualitative research interviews that can be seen in the PIC case study (see Figures 6.3, 6.4, 6.5, 6.6 and 6.7).

#### **9.3.4 Objective 4: The 'Them'**

Chapter Four describes the scope and conclusions of my literature research. In addition, I had the opportunity to present my research and to engage others in my research enquiry at the Singapore Institute of Management on 25th June 2007, and through an article (see Annex 2) published in the Strategic Account Management Association Velocity Magazine (vol.10, no. 4) in November 2008. I have also been invited to present an overview of my research enquiry at Cranfield's Key Account Management Club on 24th September 2009.

In addition, I have been successful in setting up a Master's in Business Change Programme with Middlesex University for Hewlett Packard. Two candidates achieved a Master's with distinction on topics that were affiliated with the selling of large deals. I was actively involved in the cohort undertaking this project. I learnt from them how the topic of proactive creativity could be integrated into a governance model for large deals and how authenticity was the foundation for a due diligence model used to frame large deals. I am particularly proud of this achievement and motivated by the collaborative and practical nature of this type of learning. As a consequence, Consalia has also established a similar programme with Abbey Bank and plans, as a strategic partner with Middlesex through its Modnet initiative, to include more clients in this collaboration of academic and business institutions to achieve higher levels of professionalism in sales and sales management practices.

### **9.4 *What could I have done better?***

I have grouped my learning into three themes.

#### **9.4.1 Explaining and exploring the relationship between perceived values, authentic values (i.e. lived values), policy and mindset**

My dissertation was based on a client-centric perspective of the values they seek from sales people. The summary of differentiating values they seek from sales people has been carefully summarised and linked to behaviours and attitudes (see Annex 7, p.8-16).

Whilst I am confident that this framework is well validated through the analysis of interview transcripts (see Annex 4 and Annex 5), I could have done more to explore the notion of true values versus perceived values. For example, does the very acting or not acting of the behaviours (suggested in Annex 7, p.8-18) indicate a sales person's lived values? The trite answer to this could be, 'Does it matter?' As long as the customer perceives the sales person is

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living the values they are looking for from a salesperson, does it matter whether a salesperson has these values or not? For this reason, policy or mindset may be better words to use to describe the living of values from the sales person's perspective (see p.26 of my dissertation) – having a policy to be Tactfully Audacious, Proactively Creative, Client-Centric and Authentic may be all that is required of a sales person to appear to customers that they are living the right values. There is one caveat, however, that it is not easy to fool a customer – meaning customers are naturally suspicious of sales people over-promising and under-delivering. As far as content is concerned, I could have done more to explore the connection between values, policy and mindset.

It is important also to emphasise that I have changed people's behaviour by getting them to think and be critical of their thinking values. The journey of self-reflection has been as important as the destination itself. Through involving and sharing the values constructs with others, they too have started to live the values. Through living the values they (the values) become sustained. Here are just two recent examples that provide evidence of sustained new practices. A Vice-President of Hewlett Packard said the other day that this values-based approach has now become systemic in the way he thinks about his key accounts. The Managing Director of PIC showed me how it has integrated fully the values-based approach into its global account planning sales systems.

### **9.4.2 Technical and Ethical Aspects of the Dissertation**

It has been clear that more discipline was required in seeking written permission to use selected interview sound bites in the dissertation. I have, however, enjoyed the process of reverting to those I had interviewed some years ago with the news that they had made a contribution to an academic study on sales effectiveness. In many cases, interviewees have added further comments and indicated an interest in discussing the research findings in more detail. See Annex 3.

### **9.4.3 How important do I feel my research is?**

I revert to Kuhn (1996) whom I quoted on page 1 in my dissertation: 'paradigms gain their status because they are more successful than their competitors in solving a few problems that the group of practitioners has come to recognise as acute.'

In reflecting on my dissertation, I am not sure if I have been bold enough in recognising the contribution this dissertation makes to current thinking of what is required for sales effectiveness.

Throughout this enquiry, I have questioned my deeply-held assumptions about what is required to be effective in sales and, in doing so, I have challenged current frameworks used by

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academics to evaluate sales and key account effectiveness, challenged contemporary thinking of fellow sales training practitioners as to the quality of what we are teaching in the classroom, and challenged what sales professionals consider as best practice. Out of this enquiry, I have, over time and with many iterations, developed a new perspective of the values that underpin sales effectiveness. What makes this work so valuable is that this new values-based paradigm has been proven through personal and collaborative intervention. The paradigm now provides another angle for further academic study based on values, as they relate to the sales person, and the concept of progressive trust, so important in today's environment, is also an area for further enquiry. These new avenues of enquiry should motivate others in sales at a leadership and practitioner level to become more reflective and, through doing so, set new standards of excellence.

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HOW CAN A 'CLIENT-CENTRIC VALUES'  
APPROACH TO SELLING  
LEAD TO THE 'CO-CREATION' OF A NEW  
GLOBAL SELLING MINDSET?

**ANNEX 1**  
**ACCOUNT OF TSUNAMI**  
**DECEMBER 26TH 2004**

PHILIP SQUIRE  
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March 2009

**My account of the Tsunami December 26<sup>th</sup> 2004 written shortly after the event****Phase 1: the Wave Hits!**

We were staying in Arugam Bay – it's on the East Coast of Sri Lanka and in the most remote part of the county – for those who are interested, if you type Arugam Bay into Google it takes you to the web site of the Stardust Hotel that we were staying in. We were travelling with our friends, Jane and Hugo Haddon Grant, and their three children.

It was Emma our daughter's birthday and we luckily were all up for breakfast at around 9.00 a.m. when the Tsunami hit us. We estimate from the damage done that the wave was around 25 foot high. The first sign was some small flooding of the ground ... we had few seconds to act. My daughter, Laura, was close by me and we ran quickly to a tree. Seconds later the full force of the wave hit the front of the open restaurant area. The wave at roof level. I turned around and saw my wife, Louise, clinging onto one of the restaurant side pillars. I had no idea where my son, Will, and other daughter, Emma, were at the time.

The roof of the restaurant quickly collapsed and I saw Louise disappear under the roof and into the wave. I thought that she might have been injured or concussed from the roof falling on her. I decided to dive into the wave thinking that Laura was seemingly safe and that I may have a chance to come to Louise's rescue.

The force of the wave cannot be explained. I was in a raging torrent that sucked you under from time to time. It carried me over 750 metres before the wave slowed and I found a tree to hang onto. I was in the lagoon. The water then subsided and it was possible to walk across to some higher ground. I was of course calling all the names of my family. I had lost my glasses and could not see. Amazingly, from a tree not far away, emerged my eldest daughter, Emma. She was the luckiest of our family to survive. She was in the bathroom at the time and was alerted to the danger by my wife screaming her name. She tried to open the door of her bathroom but couldn't with the force of the water closing her door. The water filled her bathroom to the ceiling but somehow she managed to dive down and through the door (that must by then have been ripped off its hinges) but she was then caught in the full force of the wave. She hit a tree and probably suffered concussion, as she does not remember much of what happened. When I met her she was dazed and had no idea where she was – a huge piece of luck that we connected. There was no sign of my wife or any others of my family. At this point in time I felt that Emma and I were the only other survivors.

We waded across the very strong current to some higher ground where people were looking for lost members of their families; there was a terrible sound of wailing. We were also calling for Louise and the others but no response. My instinct was to go back to the hotel as I thought Laura had probably survived. This took some time, maybe 20 minutes, as we had to dive into another raging river in order to cross onto the land where our hotel was.

As we arrived at the hotel, Hugo was calling our names, the husband of the family we had travelled with. There at the hotel were Laura and Will. Also there were two of Hugo's children, Guy and Sarah. They were all urging us to run to the safety of the first floor of the hotel. The time was now around 9.40 or so. Missing were Louise, Hugo's wife, Jane, and their daughter, Claire. We were so delighted that as a family we were almost intact. It's difficult to describe the emotions of the three hours or so that we were at the Stardust. The lowest moment was thinking of the huge loss Louise would be to our family. There was no way that I could get anyway near to fulfilling her role ... all the little things that mothers instinctively do for their family, seemingly trivial, but actually very important. I cried deeply. I cried for her, the children and our terrible loss. I also felt huge remorse. It had been our Sri Lankan dream to buy some land and build and that that was the reason Jane and Hugo were with us. They had bought land with us in Pottuvil. Hugo had at this time lost Jane and Claire. At one point we put our arms around each other and said 'What are we going to do?' From time to time each of the children broke down and cried. All one could do is hug and hope that by some miracle we could all survive.

From the vantage point of the first floor of the hotel we could see the sea very clearly. Laura had correctly guessed that there would be a second and more waves. Those already at the hotel could see the next wave coming. Within minutes of Emma and I arriving, the second wave hit the hotel. The water came up to knee height of the corridor in which we were standing on the first floor. This was 30 ft above sea level. If we had not arrived at the hotel in time we would have surely died. Another piece of good fortune.

Louise's story is amazing. She found herself after may be 800m further around and to the left of the lagoon from me and saw in front of her Jane and her daughter clinging onto a tree. Louise aimed for this tree and joined them. As she grabbed the foliage of the tree she got bitten by a snake – can you believe it! Unfortunately Claire, Jane's daughter, at this time was losing her grip on the branch and had to let go. It was a very low moment for her mother. As the water subsided, Jane and Louise made their way to some higher ground but were then told that the second wave would hit any moment. They ran first to a building where a family (English) was on the roof. At the same time the missing Claire ran towards them. The English family refused to let them on the roof saying that the roof would collapse. They found a second tree and climbed into it. This time the tree was covered in ants. Louise actually lay on an ant's nest. They stayed in this tree for a long time as, after the second wave came another five, and each time they feared the tree would fall. At around 11.00 a.m. or so the waves slowed and the water level lowered and they were told by someone to get down and make their way to safety. At this point Louise had thought she had lost all her family. They were directed to a boat and then a tractor that took them to the hill top about 1.5 km from the hotel.

Back at the hotel we were with some others starting to think about what to do. We busied ourselves with looking for water – we had a terrible thirst. Gradually we found water, some food and a medical bag. Richard, the Sri Lankan chef, had come back to the hotel to help us and Merete, the wife of the owner, was found and joined us. (Her husband Per was unfortunately found dead the next day 3 km from the hotel.) Also at the hotel were the Woolley family, Dave Burgess, and Andre Klemenn plus one of Merete's ground staff. In between moments of utter despair we had had moments of being incredibly rational. Andre was forever calm, we took out the bedding in the top floor rooms to dry, we started to create a room as a medical centre as Emma had incurred terrible grazing to her leg and we wanted her to be able to lie down. We

decided to collect all the water and food together in one of the empty concrete water tank compartments on top of the house. Dave had gone downstairs to forage for supplies and found a crate of soda water. I asked the Merete's ground staff to climb the coconut tree and get us some coconuts. Amazingly, the Woolley family had a fully charged mobile phone – this was to become a lifesaver. Whilst this was going on the children were sitting under damp sheets on the roof looking out to sea. The call of 'another one is coming' was terrifying. We had no idea of how big the wave would be and I recall the children getting angry at me for not being up there with them. We had no means of knowing if the hotel could withstand the full force of the oncoming waves. My leg was beginning to hurt and I wanted to avoid climbing onto the roof if I could. After three hours or so the terrible thirst has subsided.

After three hours we were advised to get off the hotel and join others on the hill. This was a difficult decision to make as we were leaving the safety of the hotel. We collected our bags and made our way to the hilltop.

Little did we know that we were going to reunite both families. The point of reuniting was something I will never forget. We cried for a long time in each other's arms. It just seemed so incredible that of our party of ten, all ten had survived. Each surviving on their own wits and instincts, I am enormously proud of how my family had coped. We were so, so lucky. Arugam bay has 800 inhabitants. 500 of these had died. More will die due to disease and as an example I had incurred a small abrasion and this had got infected. I had an operation in Colombo two days ago to remove the infection. I was told if it had taken two days longer to get to Colombo I may have had to have my leg amputated. This shows how important it is to get medical treatment quickly, as it happens I will be fit very quickly.

So the story of how we got home was incredible as we were stuck on a spit of land – the bridge connecting us to civilization was destroyed – with little water, little food, and, as said before, in a very remote part of the country. This indeed requires another long email and now I have no energy.

Suffice to say that friendships are incredibly important and I appreciate the care that you have shown.

## **Phase 2: The Hill Top**

Once we were reunited, the next objective was survival and letting family and close friends know we were safe. Congregating on the hill top were other families. Around 30 ex pats or so. They were mainly based in the shade of a tree on top of the hill top about 40 feet above sea level. A volunteer service vehicle was nearby it had a radio. Two people miraculously had mobile phones. One of these belonged to Jonathon Woolley and through him we were able to contact Louise's parents, Adam Stebbings, Gareth Bullock. They in turn were able to contact my family and other friends. Luckily we managed to get the news to many of our friends before or shortly after they had seen the horror of the tsunami on television. Jonathon's phone was a life saver.

He also had the name of the British Defence attaché, Colin Martin. He had called him from the Stardust Hotel. Colin knew exactly the predicament we were in as he had holidayed there himself and had called the Sri Lankan Minister of Defence to urge him to helicopter us out. The first helicopter arrived towards the end of afternoon. It picked up some government official and his family. At least we knew that they knew where we were. What we did not know was how long it would take to get out. On the hill top we sat next to Helen – she had a badly compound fractured leg. Her story was amazing and she was very lucky to be alive. She was staying at the Stardust when the wave hit, she was there with her fiancé, Dave. Dave saw her get sucked into a well next to the Stardust. She ended up way behind the hotel and near where Louise and Jane ended up in their trees. Dave did not see her get washed out of the well. After the first wave, Dave dived fanatically into the well to try and find her. The well was full of diesel and debris. He could not find her. He was convinced that she was dead. Helen had got somehow to the hill top and had run on her fractured leg a lot of the way to escape the waves. It's difficult to know how she managed. She was in a lot of pain. I was not sure she would make it. Others there had lost their partners. Merete at that time did not know if Per was alive or dead. A mortuary had been set up near by. Bodies in white sacks were being carried on trailers. I was glad I was not asked to identify bodies. For some reason I was carrying a travel bag. In it was a green note book and a pen. I started to write down people's names and email addresses. This was to become useful later when reporting survivors and deceased. Lyn and her son (fractured leg), Wayne and Sri (pregnant and had a broken rib), Duncan and wife plus three children (he did not allow Louise, Jane and Claire to share the roof with them before the second wave), Nazza and John, Anneli and Stefan, Michael Katrin – journalist dead, Rainer, Alex and Fleur, Andre, Philip dead, Suhaib, Rava family, Skovenborg family, Elna, Helen and Andrew, Victoria and Maurice, Ermano dead, Cairo child of 8 years died, Per dead, Richard father of Cairo alive, Mark, Ani.

Duncan and Ani were frantically trying to get hold of the BBC Press in the UK. The more they knew of our plight the sooner we may get rescued. It was clear that without food, water and medical supplies, soon we would be in trouble. Annelie had become the hill top doctor with some medical kit dropped off by the helicopter and she began dressing wounds and seeing to the most injured. For some curious reason she declined help from Louise who had been a nurse for seven years. By late afternoon we were running out of supplies.

125 miles on the other side of Sri Lanka – is Galle. This is where Juliet was staying. Juliet is Louise's sister. She had introduced us to Sri Lanka and was on her way to see her plot of land by the beach near Tangalle, before coming up to us in Arugam Bay. Her plans were to join us on the 27<sup>th</sup> January the day after the Tsunami. At first we had not appreciated the fact that Galle would have suffered the same fate. 4,000 people died in Galle. She was lucky she was in the fort when the wave hit. Her account and story of how she made it up to Colombo to meet us is deeply moving. It took her a while to gauge the extent of the devastation and did not realize at the same time the East Coast was devastated. We were desperate to find out if she was safe. Juliet did not realise until 9.00 p.m. that evening we were OK.

Merete knew the person who owned a house at the bottom of the 'hill top'. The group of fifteen, including Nate Berkus, a fellow Stardust Hotel guest, decided to head for the house and see what food and water we could find. I did not like the idea of staying at the hill top with all the others and felt we could do better elsewhere. We found some food and water at the house. Hugo and I made countless cups of tea. It's amazing what a cup of tea can do to revive the

spirits. Eventually quite a few others joined us. During this period Will and Guy were asked to watch out for waves. The girls in particular were very worried that more waves would come. A second helicopter arrived out of the blue – my family yelled at me to hurry, I could not run, actually I could hardly walk as my leg was now stiffening up. We missed the helicopter – too many people had run for it. My family were very angry with me for not keeping up. I remember feeling very angry that perfectly healthy people had got on that helicopter knowing that others were very ill a few hundred yards away. We hoped that another helicopter would arrive. Someone told us that they would not fly at night. We were resigned that we would have to overnight it on the hill somewhere.

It was a difficult decision – to forgo a night in a bed or sleep outside. In the end we decided to sleep outdoors and on the hill where the helicopter had landed earlier. We set up camp near the house on two sheets. Out of the blue, Richard, the Stardust chef, announced he had prepared supper. He was extraordinary – he had just lost his sister and his niece – his niece had been torn out of his arms by the wave. It is difficult to understand he could, under those circumstances, have the wherewithal, to cook a meal for 20 or so. He wanted us to go into the house for the meal. The girls preferred to stay put, in the end he came out to us carrying a wicker basket with soup and three huge lasagne dishes. It was bizarre that in the chaos of what happened we had this picnic. The Woolleys, Haddon Grants, Nate Berkus, Merete and one or two others picnicked together. We lit a fire. Later the army came with some giant tea urns and we had tea. The army were very supportive.

We stretched out on sheets that we had taken from the Stardust. We asked Nate to join us. We felt incredibly sorry for him. Alone and having lost his partner, Fernando. We did not realize at the time who he was and what a difference his connections would make to getting help for the people of Arugam Bay. Lying under the stars, watching the satellites, even I without my glasses could spot them, listening out for the waves, we talked. Or the children did. Laura, Claire, Guy, Wills and Sarah were entertained by Nate. We learnt that he was a co-presenter on the Oprah Winfrey Show. Some of us had not heard of who Oprah was. He had interviewed many well known pop stars. It was fun. However, rumours of more waves were circulating. We felt we had to move to higher ground. We decided the safest place was to move back to the top of the hill where the bigger group had congregated. The time was 1.00 a.m.

A fire was going and people were listening in on the radio – we learnt that this was a disaster of huge proportions. Would this mean that it was less likely we would be rescued quickly? Ani and others were constantly on the phone. Nate actually did a live CNN interview. It was pretty amazing to think that we were miles from anywhere and yet here we were on CNN news. People knew about Arugam Bay and knew that we were in trouble. I recall listening that evening to Duncan telling us stories about all the land he had bought in remote and emerging parts of the world. It seemed inappropriate that he should be telling us these stories. I also remember someone who was drunk – could it have been the wife of the volunteer officer? There was no chance of sleeping. At early dawn it began to rain. Rain is rare at this time of year. We decided to move to the shelter of a nearby house. I remember thinking that Hugo was in a bad way. He seemed very remote – I later learnt that he had taken some very heavy sleeping pills! We sat waiting for dawn by the side of a house. Inside the house were many locals. Very quiet apart from the occasional coughing. In the early hours of the morning Richard came over to tell Merete that Per's body had been found – 3 km away. He spoke of his death in a very matter of fact way.

One felt huge sadness. Merete had lost her husband and her life's work. Sometime during the night I took a call from my brother, Ian. It was wonderful to hear his voice and learn that Mum was OK.

At six, we understood the helicopters would arrive. Sure enough they did. We returned to the spot where they landed the day before. Perhaps the wind direction had changed but they could not land that easily. One helicopter did and we urged the helicopter to take the most injured first. They did not want to wait and so a few of the healthy went. I noticed Duncan and his family waiting to race to the next helicopter. I challenged him – there were many people in a bigger need of hospitalisation than him or his family. I had overheard him make out what a desperate situation his family were in – children with broken bones. He actually got one of them to cry into the phone whilst he was onto a news desk somewhere. He made out that as he had got the choppers there he should have priority. I told him about Jonathan and his connection with Colin but I don't think he listened. When the second chopper landed, it landed at a different spot further away from us – it was interesting to see him walk and then run with his family towards it. They are a large family and there was no evidence of broken bones as they ran towards the helicopter. We did not see him again. The next I heard of this family was in an article in the Sunday Express I think when we were in Colombo. The story of his heroics were told.

Hugo had this overriding need to get out of there. I was more relaxed – in a strange way just glad to be alive. Each time the helicopter landed there was a rush to get on. Emma was in a bad way. She needed hospital treatment. Emma, Jane, Claire and Sarah, Wills got on an early helicopter. Hugo did the same. Guy remained with Laura, Louise and I. Guy has the amazing knack of talking to people. He was forever wandering off and chatting to people. I was amazed at Laura. She was adamant that the most injured should go first. She had no injuries. I was hugely impressed with her caring nature. She excelled – she had got out of trouble quicker than anyone else in our family, she has a great sense of intuition and what is right. She did not mind waiting until the end to leave. It could not have been easy for her as our family had split up.

During the morning the helicopters brought food parcels. These were handed out. We left the rice and curry – the biscuits were OK though. Spirits were up as it seemed that the helicopters were coming in pairs and at regular intervals. It was only a question of time. It got very hot. Miraculously two other Stardust couples turned up. They had been on a fishing trip to Panama. They were untouched by the Tsunami. They were shocked to see the devastation. They had back packs and spare clothes. They were delighted that I was carrying their travel bag with passport and plane tickets. They gave out their clothes to those who most needed them.

Survival brings out the best and worst in people. An Italian family was trying to get on a helicopter, they seemed untouched by the wave and had their luggage with them. The more weight on the helicopters the less people the helicopters could carry. I asked if they were expecting to travel with their luggage – later an argument broke out. They were told they could not travel with their cases. In the end they unpacked and dressed in multiple layers. Unbelievable. The husband of this family later accused Annelie of potentially killing. She had said as his family were not injured they were not a priority. Annelie ended up in tears. She was exhausted and we consoled her by the roadside whilst she changed out of her oversized jeans. It did not seem to matter how we looked. By this time my leg was getting very painful and could



not walk easily. Someone, I think Andre or Nate, got me a plastic chair and I sat and waited. I was given priority and left.

It was difficult leaving Laura and Louise behind. At the last minute before the helicopter took off, Nate jumped on. The helicopters were old. They were like the ones you see in *Apocalypse Now*. Open sided. It seemed to take the pilot a long time to take off. For a while the helicopter hovered above the ground and then up it went, nearly touching the tops of the trees. Below were Louise and Laura waving like mad. I sat next to Nate and some others. One man had lost his wife and most of his hand. I looked down and from the vantage point could see now the huge devastation caused by the Tsunami. We travelled up the coast. As we flew you could see damage like a brown smear all along the coast for as far as you could see. On the landside you could see the beautiful emerald of the jungle. Flocks of birds flying below us. Would we return?

During the flight Nate and I talked... It was clear that Nate's Fernando would have little chance of survival. Nate was torn about leaving him behind. He felt that he needed to stay and look for Fernando's body. There was little Nate could do. All I had seen of Nate was smiley, cheerful, being really friendly. He was great with the children. I remember telling him to expect the worst – that there would be little chance of Fernando surviving and that there was little he could do. It was better for him to return and let others do the searching. We talked about a number of things. He was really moved when he saw us as a family being reunited – he obviously appreciated being with our family. For a short while it felt like he was part of the family. It must have been terrible leaving that place with no-one. At least we all had each other.

The helicopter landed at Ampara military base. A large tent had been erected and it served as a temporary stop before people were moved to a refugee centre. As the helicopter landed, a group of army were there in line and ready with sacks of food. I was carried off and into a waiting ambulance with Nate and the man with the damaged hand. The helicopter was re loaded and preparing for take off. As we neared the tent Hugo ran out. He told me that Emma and the others were there. I continued on to the hospital. Travelling by ambulance in Sri Lanka is something else ... more on this later.

The drive to Ampara hospital took about 30 minutes. Nurses were ready to meet us. Names were taken. I was in a ward with some other evacuees. The wounds on my leg were quite painful. I was given an injection of some sort and the nurses scrubbed my wounds rather rigorously. Nate sat on the bed. I asked him to tell me more about Fernando. He described Fernando as a wonderfully warm person. He was the one who sought to go to far off places and Nate followed him. Nate was not naturally adventurous. Fernando was a brilliant photographer. Nate described their relationship as being very special and that it would be impossible to replace what they had. I recalled talking about my father dying suddenly and how I dealt with it. Nate was then checked over for his injuries and I was wheel chaired to have an X ray taken.

There seemed to be a relay system of auxiliary helpers taking turns to wheel chair me to the X Ray room. It all worked and seemed very efficient. I don't know why, but I was suddenly overcome with nausea. Further more the sound of scraping furniture in the room hit me, it triggered the sound of the tsunami.

It was pandemonium at the hospital. Ampara was to become the refugee centre for the East Coast. Already 16,000 refugees had been brought to the town. Most were camping out in public parks. I sat in the reception area. Amazingly Louise turned up with Emma and Laura. Wills and the H-Gs were taken to Government guest house – it was here that all ex pat refugees were taken before being relocated to hotels. I had this fear of being separated from the family.

### **Phase 3: Getting out of Ampara and Colombo**

It was now that I met Sajith for the first time. Sajith was a driver who came to the hospital to collect us. He wanted me to go with the children but I did not want to leave Louise behind on her own. Nate kindly offered to go back to the government guest house with the children. Sajith said he would return later for us. I stayed at the hospital for a while longer. The local Sri Lankans were very kind, they were coming in off the streets and offering clothes. It was good to learn that a small baby who was in a coma has survived. It was difficult for the hospital to manage the names of people coming in. They misspelt names which made it very difficult for them to know who was in which ward; Lyn Napper was trying to find her son, Simon, for some time. Louise was exhausted and in a lot of pain. She hardly had the energy to leave the hospital. In the end Sajith returned.

In the car I asked him what he did. He said that he was the district manager for the region. His job was to help in the short term with making sure the ex pat evacuees were taken to the right place. He spoke very good English. He explained that he had been given a scholarship to Moscow University to study Management. I asked him what the plans were to get out of Ampara. He said a bus was being organized to take us back to Colombo. The thought of having to deal with the 12 hour bus journey through windy roads, a leg that was becoming more painful and with very traumatized children was horrific. I asked if there was any way we could get airlifted back. They had flown us to Ampara could they not fly us to Colombo? Sajith said that there was only one person who could organize this and that was the Government Agent – the most senior government official. He asked if I would like him to see if he could arrange a meeting with him later that afternoon. I said yes. Thinking it would not happen.

We arrived at the Government Guest house. It was full of ex pats. Clothes were available but as I was late there was only an oversized shirt with a torn sleeve left for me and pair of pants that were rather small! I later learnt that Hugo managed to get into them – which provided a few jokes. Food was available. People were playing cards. We had a shower of sorts. It was a luxury to feel clean. It was becoming more difficult to walk. Jane and Hugo had commandeered a mattress and set it up outside. Hugo had been planning how to get back to Colombo and Jonathan Woolley had very kindly given us money. We could pay for a private taxi. I mentioned my conversation with Sajith. Hugo also said that we had a hotel to go that night.

The bus arrived to take us to the hotel. I climbed into the bus but just before it left Sajith returned. Amazingly he had managed to get me a meeting. In the car going to the minister's

office we talked about his family. He said he would like me to meet his father of 85 and his sister and brother-in-law. I was helped up the staircase. It must have been quite a picture this man with a torn shirt being carried by two others. The enormity of what we had gone through and lack of sleep meant I was quite emotional. I was worried how I would conduct myself in his office. I was shown in. He was busy taking calls but after ten minutes or so he stopped and came over. I explained what happened to us. How impressed I had been with the army – how kind they had been. How terrible it was for this to have happened to their country. I described in tears what our families had been through and asked if there was anyway that we could be airlifted back. He told me that there was no way the helicopters could do this – they do not fly at night. There was though a chance that we could be airlifted back on a small military aircraft. One was due to arrive at 9.00 p.m. that night. He would see what he could do. No promises.

We returned to Sajith's car and drove to his home. I was welcomed into his living room. His elderly father of 85 was waiting for me and sitting on a sofa. He could not talk very well but understood English. Sajith's sister, husband was there with their little two year old. She was an English teacher. I was given sweet tea, and Christmas cake. They wanted to hear what happened. I told the story. Their little boy was curious to watch this grown man in tears. They brought more sweet tea and Christmas cake. Sajith gave me some clean shirts. Again one was touched enormously by the kindness and compassion shown. Small acts of kindness when you have nothing means a huge amount. Sajith and his sister were committed Christians. I struggle to come to terms with the concept of a higher being. When so many children and mothers had died how does one react when people say god was watching over you. It's luck, two strong swimmers were caught at the same place by the wave. One current took one swimmer in one direction – he died. The other current took the other swimmer in the other direction – he survived.

At around 7.00 p.m. I returned to the hotel where the others had been relocated. It was the worst hotel imaginable. Cockroaches everywhere and full of mosquitoes. Guy, forever the wanderer, had ventured into the kitchen and then warned everyone not to eat the food. I had barely arrived when there was a knock at the door and we were told that we were going to be flown out that night on a small 15-seater plane! I felt bad that we had split up from Nate. I asked if they could try and find Nate back at the refugee centre.

We were driven back to the army airport and told to wait outside. Hugo renewed his acquaintance with the commander-in-chief. A powerful search light swept the air strip. We were told it was to frighten away the elephants. Another jeep arrived with more refugees. Lyn and Simon, Mark Kennedy and Alex and Fleur were the only ones left in the refugee camp. No Nate.

The plane arrived. It was a huge relief to know that we would back in Colombo that evening. Claire was now becoming very ill, she was nauseous. The stench of the diesel made her more so. She was very sick on the flight. We took off and after 20 minutes landed somewhere further north. The plane had to pick up another extremely young looking pilot. We arrived at Colombo at 11.00 p.m. or so. It was amazing that we had reached Colombo on the 27<sup>th</sup>.

The British Consulate had recruited some volunteers. One chap helping could have been a Graham Green type character – he wore a panama hat and had a sense of decayed officialdom about him – he was great. He was helped by Colin Martin's son who was also very supportive. He also told us of horrific stories about what happened at Galle and the train that was swept away.

We were told we would be taken to the British Consulate to be checked over and given temporary passports. An A&E surgeon also on holiday took a look at my leg wound and dressed it. It seemed OK at the time. Colin Martin drove us to the Galladia Hotel. This is a five star hotel in central Galle. We were given mattresses on a floor in a conference room. A banqueting room had been set up for us. There was so much food. It was luxury. The Director of the hotel could not have been more supportive. The next morning he saw us in the foyer and asked what he could do to help. Claire, Emma and I are almost blind without glasses. He took us in his car to an opticians shop. Within an hour we could see again!

The staff at the Galladia were brilliant. Also people were coming into the hotel and offering us money, help clothes, they were in tears. The hotel was a sanctuary. We needed some time to recuperate. I was now wheel chair bound. I thought at the time it was just stiffness nothing more. A doctor at the hotel had given me some antibiotics. The children slept for hours. Will must have slept for a day. Sarah as well. The next day it was time for a shower, Sarah very kindly wheel chaired me up to the health club where she handed me over to some health club staff. It was amusing as I had to wear two bin liners to protect the bandages on my feet. I was helped by two of the staff – to undress and then was carried to the shower cubicle. Bin liners are pretty slippery and it was quite a challenge to stop slipping on the wet floor. It was quite amusing. It was worth it though to feel clean.

Juliet was desperate to reach us. It was an impossible task for her to find taxis. Once she did, the road from Galle to Colombo was littered with debris. It took her 2 days to reach us. She arrived on the 28<sup>th</sup> in the evening very late. It was a special reunion. We must have looked a sorry lot. My leg was getting really painful by now and did not feel like joining in the conversation. We heard her story of how she was in the Galle Fort and had videoed the wave. It seemed to her initially that it was just a high tide. It was only later that she realized the devastation caused. Her description of what she saw and felt was very moving. She then heard that the East Coast had got hit even worse. She was fraught with worry and convinced that we would have caught up in it. She heard from Geoffrey Dobbs, a local hotelier, that Tangalle where her house was, was probably badly hit. She also heard of the tragic story of the Jacobsens' House.

We had met Tim and Sarah Jacobsen the previous Easter. They were Hong Kong based. They had built a dream house on Marwella beach near Tangalle – the last house to have been designed by the late renown architect Geoffrey Bawa. Sarah had tragically died of cancer just two months before the Tsunami. Tim and the children were due to return to the house over the Christmas holidays. Juliet was worried that he had been caught up in it. Luckily he was due to go the next day. Tragically though his chef in saving the house guests lost his wife and little child. He did not have time to get the house guests up to the first floor and then back to his wife

who was with his child on the lower floor. What would your first instinct be in seeing a wave approach your house – save your child or your hotel guests?

#### **Phase 4: Gangrene and the Flight Home**

Louise decided that night that first thing the next morning 29<sup>th</sup> I had to go back to the A&E consultant. This was on the day we had managed to get tickets back to the UK. My wound was now stinking badly. The A&E surgeon took one look and told me that I would have to go to the hospital. The wound had become gangrenous. Emma was in a bad way as well. Her face was hurting badly and we were both taken to hospital. The Apollo is Colombo's best private hospital. Thank god I had miraculously had my wallet with me when I was swept away? At least I could pay for the operation. Emma had loads of x rays that showed her fractured cheek bones. I was given a general and woke up at around 2.00 p.m. The plane was to leave at 5.30 p.m. We had to leave the hospital by 3.00 p.m. to make it to the plane. The pain was quite intense and for a good hour there was no way that I could make a plane journey back. The Haddon Grants were already en route to the airport and Juliet, Louise and I were in the hospital. The pain subsided and we decided to make a dash for the airport. The quickest way through the rush hour was by ambulance. As we were waiting for the Ambulance we saw David, his wife, Helen, was the one who went down the well. She was still in a bad way.

The journey to the airport was eventful. I have this image of Louise and Juliet looking out of the front window in complete horror as we drove into oncoming traffic. As I was lying on a stretcher I was looking through the back window at heads of motorcyclists 'hitching' a quick ride.

We got to the airport in time and we were reunited with the family once more. It's difficult to describe the sense of being split up. The relief of us all being able to make it home on the same flight was intense.

The staff at the airport could not have been more helpful. We had no tickets. They gave Emma, Louise and I business class seats. Waiting in the lounge I sat next to a Sri Lankan man and his wife and child. He had been in Hambantota, a fishing village further South from Tangalle. The 26<sup>th</sup> happened to coincide with market day. He said that around 2,000 people had died there including 4 of his close relatives. Later on TV we would see pictures of Hambantota. With piles of bodies swept like debris to form mounds.

Once we were on the plane the relief was intense. On the one hand we were desperate to get home, on the other hand one felt terrible anguish of the plight of the Sri Lankans we had left behind. The flight gave one time to contemplate the future.

We were unaware of what to expect when we arrived home. How were we going to deal with returning to normality? How the recoveries would heal? How would the children deal with the trauma they were going through? What effect would this have on the exams that all three children were going to take? How would it change the dynamics of the relationships we had with

each other and the 'outside' world? What would our attitudes be to work? There was no doubt that we had all been extraordinarily lucky in surviving – it was against all odds that all ten of us had survived. Such an event forces you to decide how you want to lead the rest of your life, forces you to consider in the cold light of life what's important and what's important to you. Such thoughts went through one's mind in waves. Like the currents, one's thought patterns move in different ways. Sometimes feeling huge hurt for what the children and my wife have been through, sometimes feeling that somehow some good would come of this. In a curious way one develops a sense of immortality – that you could walk down the middle of a busy motorway and not get hit. If one can survive a tsunami you can pretty well survive anything that anyone throws at you. Tsunami tourettes describes my emotional downside. Little petty things really wind one up. Poor service, a complaint about the weather result in people being shouted at. This is counterbalanced by a huge sense of compassion for those in genuine trouble. The effortless exit luxury of first class travel was counterbalanced by the fact that so many people had lost everything and were powerless to do anything about it. One thing was clear, we had to do something to help those we left behind.

The plane landed at 6.00 a.m. or so at Gatwick airport – I had one of those motorised trolleys and the children piled on. We had nothing. No hand luggage. No bags to collect. No Passports. I was wearing an oversized sarong and torn shirt, Wills was the same, we must have been quite a sight as we came out of the hall. Louise's parents had driven down to our house the night before and were there to meet us. Alex, Emma's boyfriend, and Stef, Laura's boyfriend, were there. The Stebbings were there as well. Seeing family and close friends reduced one to tears once more. They were visibly shocked to see the state we were in. We were just relieved to be with them again.

It felt surreal to be back. Over and over again we all told our stories. As parents we had to understand how the children had lived every second of the Tsunami. What tree were you on? Who was the last person to see Wills before the wave? Wills where did you go? What happened to you Laura? How did you get onto the roof by the tree? What happened when the building fell down? When did you find Will? How did you get on the roof first Will? How did you manage to hold onto the frond of the palm tree and for so long? Laura when did you reunite with Will? What were Sarah, Guy doing at the time? Where were you Sarah when you saw Guy up the palm tree? When did you see Claire and Jane being swept away holding onto a piece of corrugated iron? Where exactly did you see mummy when she was being swept passed us? How close was I when I dived in after her? Where did you go Louise? How come we ended up in such different parts of the lagoon? Did you not recall crossing the raging river? Emma how did you get out of the bathroom? When did you hit the tree? Were you unconscious? What could you see? Did you see many dead people? What about the animals? Where was the hotel dog? Who saw Per last? When did you know the wave was coming? How long was the wave? How long did it take us to get back to the Hotel? What sort of snake bit you? Did the ants bite? What did you think when you were in the tree with Jane and Claire? So many exhaustive questions. Together we began to piece the story ourselves and describe to our friends and family what we had been through. But no matter how much one describes the facts and the feelings, many people say that they can't begin to understand what we have all gone through. One thing is for sure, that all of us will have been changed as a result . . . but in what way, time will tell.

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## Winning large, complex sales opportunities at Hewlett-Packard Co.

**By Philip Squire**

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Consalia Ltd.*

**Michael Hurley**

*director  
Hewlett-Packard Co.*

**and H. David Hennessey**

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A recent research project has provided insights about how to raise professionalism standards in selling complex solutions. Key findings suggested a new sales approach validated by computer giant Hewlett-Packard Co.'s outsourcing team. Strategies using this approach have since helped HP win global deals with both new and existing customers.

### Research findings

Four leading critical values that significantly improved closing rates emerged from in-depth interviews with more than 120 selling and buying professionals. The four values were client centrality, authenticity, proactive creativity and tactful audacity, as shown in the figure.

Client centrality and authenticity are required to build trust with the customer. While necessary to succeed, these two values alone do not suffice. Proactive creativity and tactful audacity are the two most differentiating, outstanding

ones, meaning they are most important to customers and most lacking in sellers. Customers observe these values in the intelligence and ingenuity of salespeople. One customer in the study made the following comment of tactful audacity: "This is probably the most interesting finding from my point of view. I believe this value is

the rarest in practice and really distinguishes the good from excellent service providers. Without it, all of the good proactivity and innovation qualities that strong outfits emphasize can easily slide into the arrogance of the difficult-to-manage non-partner."

### Client centrality

Client centrality is a basic sales element, mastery of which is achieved through practice and constant reflection—e.g., "Am I doing the right things for my customers?" "What creative ideas can I bring?" and "How can I validate these ideas?" The focus on understanding the customer's industry and strategy to win in that industry drives the salesperson to provide the best-fit solution, not to find a home for an off-the-shelf solution. He is passionate about helping the customer improve its business. How best to understand the client and its industry drivers? Engaging with the analyst community is a prerequisite for large deals. Analysts provide insights into what keeps the board awake at night. Analysts are paid to study the industry's economic metrics and have a point of view about competitors. A recent HP deal with a global leader in human resources services was the result of understanding that supply issues were the main driver for profit. This enabled HP to suggest ways of using technology, including branch-in-a-box concepts, to attract more applicants. These insights showed the client that HP seriously thought about the client's business.

### Authenticity

Authenticity is important in ensuring that claims of creating business value are well-validated. Interpersonal relationships based on

### Differentiating/outstanding values

Differentiating/ outstanding value	Is seen as:
<b>Client centrality</b>	Interested, investigative, knowledgeable, dedicated, passionate, accountable and attentive
<b>Authenticity</b>	Honest, credible, unpretentious, sincere, ethical, trustworthy and dependable
<b>Proactive creativity</b>	Strategic, forward thinking, innovative, creative, reflective and above and beyond
<b>Tactful audacity</b>	Daring, bold, perceptive, understanding, challenging, unconventional and enthusiastic

trust and integrity are a foundation for a customer deciding what privileged information to share with suppliers. The salesperson works beside the customer to create a solution and is unpretentious and free from affectation, inflated self-image and hypocrisy. Co-creation's essence can be developed through collaborative alignment workshops leading to new governance constructs. Governance models can be created for different client engagement levels to reflect the deal's strategic or operational aspects. This is particularly important for long-term relationships where customers challenge suppliers on sustainability of innovation and transparency.

### Proactive creativity

Proactive creativity is highly valued by clients. The sales team must constantly consider new ways to innovate. This requires taking time to think of novel methods for assisting the customer's success within its own business. The salesperson recognizes that creativity is a mind-set and relates not only to technical innovation but also to all aspects of the role. As part of a recent HP deal with Unilever, a proposition to co-create a joint laboratory to develop technology solutions using radio frequency identification and the

latest printing technology was one of the ideas that came from an Asia-U.S. outsourcing pact. This enabled both parties to leverage each other's skills in understanding consumer actions.

### Tactful audacity

The research showed that customers want to be challenged. This necessitates a willingness to take surprisingly bold risks. The salesperson needs to be fearless and daring when suggesting solutions and collaborations to customers.

## HP HAD TO ENGAGE WITH EXISTING AND PROSPECTIVE CUSTOMERS IN A NEW WAY.

The supplier went on to win the deal.

### Implementing the new sales approach within HP

This approach has been validated through a two-year project working with HP's outsourcing team for Europe, the Middle East and Africa. The team often handles outsourcing deals of more than \$50 million, most of which are global and all of which are complex. HP wanted to improve its competitive position and felt that creativity in the deal-making process was key. It had to engage with existing and prospective customers in a new way.

Using the research results, a series of workshops brought together HP's brightest minds to consider as many facets of each deal as possible. During the workshops the research findings were shared, including video clips of buyer interviews. This helped create a deep awareness of the four values. To accelerate and enhance customer intimacy levels, the pursuit team attempted to understand the customer's industry and global logic. Analysts were engaged in the process (client centricity). Their insights into the client's business assisted in identifying key drivers and with them knowledge of what senior executives really cared about. A creative-thinking framework challenged existing models of how value could best be brought to customers (proactive creativity and tactful audacity). The pursuit team was encouraged to think beyond core products and services in considering the value HP could provide to the customer (client centricity and proactive creativity).

In cases where HP did not have the in-house resources to provide components of the solutions, it engaged external resources (client centricity). Each aspect of what was referred to as "win themes" was carefully assessed regarding the validity of external resources' claims (authenticity). Where





appropriate, HP carefully challenged clients when it felt that a proposal would bring them great value (tactful audacity and authenticity). With global deals the pursuit team took care to engage decision makers and influencers from around the world (client centricity). The results were impressive. We have compared deals that used the new approach with those that did not. Dozens of deals, all with global customers, have been closed using this approach, and the 67-percent conversion rate is 2.5 times higher than before.

An example of an interesting publicized win was with one of the world's largest mining and natural resources groups. This captures the essence of how the new approach has helped bring value to both companies in just nine months, from no relationship to a \$450 million, seven-year deal. To show how the four values were applied to win the deal, here is a short account from HP describing some key milestones:

- HP took a global perspective in building a collaborative relationship, and the mining company responded well. Realizing that it needed to be brought up to speed very quickly to develop a deal strategy, HP engaged the customer's senior C-level information technology team as well as human resources and business unit leaders. A series of collaborative workshops helped develop relationships (client centricity).
- Initially HP didn't understand enough of the customer's business problems to write a due diligence plan; HP first had to see the problems in the business. HP and the customer then co-developed a due diligence plan. This is unique. Normally HP does not have this level of interaction. In the end the incumbent competitor was forced to use HP's methodology and was therefore on the back foot (tactful audacity and authenticity).
- HP broadened the relationships to the customer's subsidiaries in key

countries: Australia, Chile, Brazil and South Africa. HP met these subsidiaries' chief information officers and chief executive officers to learn about their problems. The goal was to completely meet their needs with HP solutions. For instance, when a mine is 1,400 kilometers from the nearest town, a four-hour service




## HP WANTED TO IMPROVE ITS COMPETITIVE POSITION AND FELT THAT CREATIVITY IN THE DEAL-MAKING PROCESS WAS KEY.

does not make sense. The subsidiaries, too, liked the collaborative approach (client centricity).

- The workshops identified potential areas of innovation. For example, in mining, there are huge issues in knowing where the assets are (some sites are 10 kilometers across) and where the people are in the mines. If they lose track of one person, they have to close a mine for health and safety reasons (client centricity).
- The idea of using memory spots or even RFID to physically count people

in and out was hugely valuable to them (proactive creativity).

- Whether HP implemented this technology for them is probably irrelevant—it shows that HP has breadth and depth. They liked the fact HP brought new ideas and ways of thinking to the table (proactive creativity).
- The fact that HP had developed a deep understanding of their business meant that HP's ideas were validated and it could build on the emerging win theme of innovation.

The journey has not been easy. Breaking the cultural mind-set from within HP was as difficult as changing the cultural mind-set from without. In situations where customers see deals as purely transactional and procurement departments try to force all suppliers to compete at the same level so they can be compared apples to apples, salespeople must be particularly compelling, creative and audacious to change the transactional mind-set to a value-based one. Again, the same applies internally to leverage across the different organizational silos where resistance can also be found. 

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### *Additional resources*

For more information on this subject in SAMAs library, the editors recommend: Charles Bellaiche, "HP: an inside view to increasing client value creation," Pan-European Conference, Feb. 11, 2008, [www.strategicaccounts.org](http://www.strategicaccounts.org); and Jeff Schmidt, "HP: innovation in action—reinventing the account planning process," Pan-European Conference, Feb. 11, 2008, [www.strategicaccounts.org](http://www.strategicaccounts.org).

HOW CAN A 'CLIENT-CENTRIC VALUES'  
APPROACH TO SELLING  
LEAD TO THE 'CO-CREATION' OF A NEW  
GLOBAL SELLING MINDSET?

**ANNEX 3**  
**PERMISSIONS TO BE QUOTED**

PHILIP SQUIRE

Student Number: 2437626

March 2009

**PERMISSIONS RECEIVED FROM:**

GARETH BULLOCK .....	2
MARTIN DIRKS .....	3
GREG GILMURRAY .....	4
ANDRE GUYER.....	5
MICHAEL KOEHN .....	7
NORBERT METZNER.....	8
ALAN REID .....	10
ANNE (GORDON) SAUNDERS .....	11
SOPHIE WESTLAKE .....	12

[NB The contents of Annex 3 have been excluded  
to protect personal data from publication]

HOW CAN A 'CLIENT-CENTRIC VALUES'  
APPROACH TO SELLING  
LEAD TO THE 'CO-CREATION' OF A NEW  
GLOBAL SELLING MINDSET?

**ANNEX 4**

**POSITIVE VALUES REFLECTED IN  
STATEMENTS MADE BY CUSTOMERS**

PHILIP SQUIRE

Student Number: 2437626

March 2009

## ‘Positive’ Values Reflected in Statements Made by Customers

Who	Video	What is said	Values Wanted
CTO, Vodafone UK	Account Partnering	There are so few people who will work hard enough to understand what our business is. Will work hard enough on working more on OUR business than their own business. I've never turned down a salesman's request for a desk in our office. Never turned down a salesman's request to be present at a briefing session. It's never happened. They've never asked. They never really get engaged. They take very fleeting superficial moments of time from a variety of peoples' diary and then retire resigned back to their own desk or cubby hole back in their own company. It's outrageous! Salespeople should be spending all their time for their customers. Their cell phone should be on all the time. And if a customer is calling they should leave an internal meeting because there is nothing internally that could be more important than what a customer has to talk to you about. Those very simple things aren't done - or are done by so few salespeople. It's outrageous.	<ul style="list-style-type: none"> <li>• Strong work ethic</li> <li>• Dedication</li> <li>• Diligence</li> <li>• Desire to fully understand customers' business</li> <li>• Inquisitive</li> <li>• Enthusiasm</li> <li>• Investigative</li> </ul>
CTO, Vodafone UK	Internal Resources	I want a salesman that can engage with us, in a technical way, understand our business, but I want him to have sales skills. I just don't want them pointed at us. I want them pointed back at his own company. . . . I want him to reflect our issues and concerns back into his company and to manage his company so that we can get the benefit of his talents. . . . You want him leveraging your weight and your power inside his own company so you can get better response times, better prices a better deal across all points of engagement.	<ul style="list-style-type: none"> <li>• Able to get things done in own company</li> <li>• Manage resources in own company</li> <li>• Non-pressurising (sales technique)</li> </ul>
Greg Gilmurray, Purchasing, Orange	Account Partnering	<p>We are more focussed on competitiveness to make sure we're treated fairly . . . other operators being treated better than us . . . there may be very valid reasons for that but we'd like to understand them.</p> <p>Too many relationships where not respected eg sly conversations round the back trying to find out information from other ways. Very frustrating, doesn't lend itself to trust. You end up not sharing things with that supplier. You become very defensive.</p>	<ul style="list-style-type: none"> <li>• Honesty</li> <li>• Openness</li> <li>• Respect</li> <li>• Trust</li> <li>• Ethical</li> </ul>

Who	Video	What is said	Values Wanted
Greg Gilmurray, Purchasing, Orange	What turns customers off	I was speaking to the team in my office and various other people and saying how would you want to be treated and hard sell came out quite a bit. We just don't want to be put in a room and sold "double glazing". You know, we want to feel special, the emotional side of it, No-one likes to sit there and just get sick and tired of a hard-nosed salesman pestering you or giving you a hard time all the time, it's not the way to develop a relationship with us.	<ul style="list-style-type: none"> <li>• Non-pressurising (sales technique)</li> </ul>
Greg Gilmurray, Purchasing, Orange	Transcript Greg Gilmurray- Orange global procurement	<p>In terms of how we like to be approached, I think we'd rather people be up front, hidden agendas don't work well.</p> <p>Hard sell is probably the one thing I would say is we don't want to be treated as. But nor would I expect any account manager or any person in Siemens to sort of sit back and let us do the work. I would expect them to challenge us. I would expect them to not pester is the wrong word, but you know keep us on our toes all the time. We don't always know the answers, we need suppliers generate ideas for us, to come to us and say look, what about this, what about this promotion, why don't we try this with this product? If we did this, could we generate more sales?</p>	<ul style="list-style-type: none"> <li>• Proactive in approaching customer with ideas</li> <li>• Inventive</li> <li>• Innovative</li> <li>• Enthusiasm</li> </ul>
Norbert Metzner, Marketing, Vodafone	Account Partnering	<p>What I would like to see are regular talks. This ? a cultural issue again and we both need to get acquainted. It is listening, getting acquainted with each other, getting talking to each other and understanding why is the other one doing it like this. So getting hold of the background, getting hold of his culture.</p> <p>What we need to get used to is talking more frequently, making it a habit to talk to each other and not even driven - which is normal business like the case.</p>	<ul style="list-style-type: none"> <li>• Desire to fully understand customers' business</li> </ul>
Norbert Metzner, Marketing, Vodafone	What turns customers off	We have 13-15% market share they have 40 or 45% market share. It doesn't mean they have 3 times as much wisdom or knowledge than we have. <i>(see below for a bit more)</i>	<ul style="list-style-type: none"> <li>• Humility</li> <li>• Unpretentiousness</li> <li>• Respect</li> </ul>

Who	Video	What is said	Values Wanted
Norbert Metzner, Marketing, Vodafone	Transcript: Norbert Metzner - Vodafone Global Product Marketing	<p>They let you feel that they don't worry much about you since they think it is the right way to do it and we have 13, 15% market share, they have 40 or 45% market share, so doesn't mean that they have three times as much wisdom or knowledge than we do have.</p> <p>[We] are more or less talking about a product strategy, how to develop the market and which devices are required, what are the key driving elements and the features and all the things like this, so what we expect from them being people who understand what we are talking about, that they can translate it into the different interfaces they have into the company. They don't have to solve the problem. This would be simply too much for a key account organisation, but they need to understand and translate it onto which people do I have to pull to achieve a solution.</p>	<ul style="list-style-type: none"> <li>Identify best people/resources in own company</li> </ul>
Bob Frosell, IMS Health UK (green background)	Internal Resources	They've got tremendous resources available to them with tremendous skills. Their ability to tap into that part of their organisation that can help you solve your problems is the key to a successful relationship and a successful sale.	<ul style="list-style-type: none"> <li>Leverage resources in own company</li> </ul>
Michael Milland, CEO, Dangaard Telecom	Account Partnering	<p>I want a marriage where you express you are faithful. That you will be together until you don't live any more. Where it is predictable what you do – transparent what you do. Where what you say today also counts tomorrow and in 3 months.</p> <p>I want openness.</p> <p>Times are over where abuse relationships as tomorrow you won't be able to do business again.</p>	<ul style="list-style-type: none"> <li>Loyalty</li> <li>Trust</li> <li>Openness</li> <li>Honesty</li> </ul>
Suvimon Dhanvarjor, Corporate Marketing Manager, Dutch Mill	Importance of the Value Statement	The way I can see if the salesperson does their homework [Would like] proposal before the meeting. From the proposal I can see that “Do they understand my business? Do they understand my issues? Do they foresee the opportunity – that I should allow them to present to me?	<ul style="list-style-type: none"> <li>Desire to fully understand customers' business</li> <li>Investigative</li> </ul>



Who	Video	What is said	Values Wanted
Suvimon Dhanvarjor, Corporate Marketing Manager, Dutch Mill	Qualities we are looking for	I need speed, flexibility and try to understand – not just convince and convince. I don't like people who push me, and don't listen, just try to convince me.	<ul style="list-style-type: none"> <li>• Flexibility</li> <li>• Non-aggressive (sales technique)</li> <li>• Customer focussed</li> </ul>
Suvimon Dhanvarjor, Corporate Marketing Manager, Dutch Mill	The customer's voice new font	<p>I can see the information provided is just information, sometimes is not relevant to my issue.</p> <p>I want them to be business solution provider or business growth provider.</p> <p>They should spend more time, or work more, to understand our business, our issues. Not just facilitate the relationship or the demands of the customer.</p> <p>How to grow business. How to grow category. This is the real value for us.</p>	<ul style="list-style-type: none"> <li>• Customer focussed</li> <li>• Investigative</li> <li>• Dedication</li> <li>• Proactive with ideas for improving customer's business</li> </ul>
Smeha Fallakha, Marketing Manager, Lacnor Dairies	What the Marketing Manager cares about	It would be much better if [salespeople] are involved with the sales management. See what do they do, what do they require, what kind of help do they need. You keep them limited to some specific information the whole life will be limited. His vision will be limited, his decisions will be limited, everything will be limited. Expose them to what's happening outside their world. Tell him the new procedures, the new modes of working. Let them feel the developments outside.	<ul style="list-style-type: none"> <li>• Desire to fully understand customers' business</li> </ul>
Colin Foy, Director of Engineering, Gerber Foods	What the Engineering Director cares about	They were introducing the customers' input far too late in the process. They get wrapped up too much in the technical side and not delivering us functional machines.	<ul style="list-style-type: none"> <li>• Customer focussed</li> </ul>
James Snook, Starbucks USA	Internal Resources	Too often you'll have a good person on the front but they cannot necessarily identify the right resources to bring to bear and then it fails in execution. That's a special skill, to know where to find the very best people.	<ul style="list-style-type: none"> <li>• Identify best people/ resources in own company</li> </ul>

Who	Video	What is said	Values Wanted
James Snook, Starbucks USA	What turns customers off	They're really not paying attention and listening. They haven't taken the time to get to know your business. You really don't sense that they're a part of your team. They're there for meeting a quote and a very short time line. They are really only interested to talk to you if there's a short term opportunity. You can just sense the pressure in their approach.	<ul style="list-style-type: none"> <li>• Collaborative</li> <li>• Attentive</li> <li>• Desire to fully understand customers' business</li> <li>• Non-pressurising (sales technique)</li> <li>• Dedicated</li> </ul>
Greg Gilmurray	Proactive Innovation	We need suppliers to generate ideas for us. To come to us and say, "What about this?" What about this as a promotion. Why don't we try this with this product. If we did this could we generate more sales? There's a subtle difference between saying buy 100,000 we'll give you 10 euros off and saying can we try and get 100,000.	<ul style="list-style-type: none"> <li>• Inventive</li> <li>• Proactive in approaching customers with ideas</li> <li>• Innovative</li> </ul>
Tony Gair, Plant Manager, Lacnor	Qualities we are looking for	The expectation I have from a salesperson is that I can contact them, they will come promptly, they will discuss their business, they will understand what they can provide and have a good understanding of the scope of equipment and services they can provide you.	<ul style="list-style-type: none"> <li>• Dedication</li> <li>• Customer focussed</li> </ul>
Louis Contreras Chavez, Head of Technology, Roche Pharmaceutical	Proactive Innovation	I think the most important thing is that the salesperson must know the business of the customer. If he knows the business he is able to offer new services and new solutions for the business. I mean, the salesperson could be proactive.	<ul style="list-style-type: none"> <li>• Proactive with ideas</li> <li>• Investigative</li> </ul>
Puteri Harun, Senior VP, Customer Relationship Management, Telecom Malaysia	What turns customers off	Some people are very aggressive in pushing their solution, they were not listening to the customers. So a lot of the failures were because they were not listening. Customers get frustrated because sales people will not listen to their needs and keep bringing the wrong solutions.	<ul style="list-style-type: none"> <li>• Non-aggressive (sales technique)</li> <li>• Attentive</li> </ul>

Who	Video	What is said	Values Wanted
Sofie Westlake, Orange	Proactive Innovation	If a vendor comes to us and says here are some ideas but we not quite sure how that fits with some of your longer term plans, or medium term plans. Can we sit down and work out how we can link this with other things you are doing. So that we give you an opportunity to drive certain services and certain features that can help you improve and increase your RPU per customer.	<ul style="list-style-type: none"> <li>• Inventive</li> <li>• Proactive in approaching customers with ideas</li> <li>• Innovative</li> </ul>
Sofie Westlake, Orange	Transcript: Sofie Westlake – Orange UK Marketing	<p>We would like to work with honest people. We try to be honest and we try to be friendly and we like to work also with people that are friendly. It's always going to be easier to work with someone that you sympathise with and that you like.</p> <p>So there has been examples of, for example, where a vendor has gone and spoken to me to get my views on a new product. Then they have gone to another part of the business to get another view, which is some respect is a logical approach. But if the objective of that is to try and divide people within the organisations and thereby through that to then win through the decisions that you want to achieve, then that's not the right approach.</p> <p>Someone who is very honest, someone who obviously comes across very professionally. Someone who is very good at listening and engaging your needs and someone who wants to interact with you. Someone perhaps who's a bit more patient as well, someone who's not looking for a quick sales someone who is not coming with a very aggressive sales pitch....Not being aggressive but being slightly more patient - but also being very honest and being very clear about and very open about the various different opportunities and objectives.</p>	<ul style="list-style-type: none"> <li>• Honesty</li> <li>• Friendliness</li> <li>• Openness</li> <li>• Ethical</li> <li>• Attentive</li> <li>• Dedicated</li> <li>• Desire to fully understand customer's business</li> <li>• Non aggressive approach</li> <li>• Integrity</li> <li>• Professionalism</li> </ul>
Lovina McMurchy, Director New Ventures, Starbucks USA	Proactive Innovation	A piece of advice - really spend a lot of time and invest in understanding your customer's business, in understanding their culture and understanding what kind of issues they have, strategies they have and, be proactive about understanding what your company offers in way of solutions.	<ul style="list-style-type: none"> <li>• Investigative</li> <li>• Proactive with ideas</li> <li>• Identify best people/resources within own company</li> </ul>

Who	Video	What is said	Values Wanted
Lovina McMurchy, Director New Ventures, Starbucks USA	What turns customers off	Customers can tell when you're trying to sell the same old thing but dressed it up. We know, usually, when that's happening to us. So you can't fool the customer.	<ul style="list-style-type: none"> <li>• Customer focussed</li> </ul>
Lovina McMurchy, Director New Ventures, Starbucks USA	Internal Resources	Trying to find that golden individual that's been working on solving that problem in a new way and getting their advocacy. And we've found if you can identify who that person is you can do really amazing things with the company.	<ul style="list-style-type: none"> <li>• Innovation</li> <li>• Creativity</li> </ul>
Annikka Hurme, Senior VP, Marketing, VALIO	Percentage with Gerber	They don't know enough about their business. They don't know our market situation. They don't know our aims for the market. So that's why they can't solve our problems. They just sell.	<ul style="list-style-type: none"> <li>• Desire to fully understand customers' business</li> <li>• Investigative</li> </ul>
Annikka Hurme, Senior VP, Marketing, VALIO	Qualities we are looking for	<p>We want that the relationships with our supplier and buyer be very close. To be close means that we do things together. Sometimes we do together market research. We both have our own target and then we do the research together and we learn together about that research.</p> <p>When you work close together you need time. You have to put some time and effort for that partnership.</p> <p>I think the most important thing is to know the business, know the business area.</p>	<ul style="list-style-type: none"> <li>• Collaboration</li> <li>• Dedication</li> </ul>
Bob Frosell, IMS Health UK	What turns customers off	Very often a vendor will come in with what we call a boiler plate approach. The boiler plate being they have just dragged off a presentation they have done previously, topped it and tailed it, changed the names, changed the company, changed a few of the themes and then presented to you what THEY think what you want to hear as opposed to what you've TOLD them you want to hear.	<ul style="list-style-type: none"> <li>• Customer focussed</li> </ul>

Who	Video	What is said	Values Wanted
Jon Lyngra	Transcript: Jon Lyngra	<p>Nowadays, they're all coming at you saying they're trying to sell you a solution - and sorting out the people who <u>really</u> are trying to sell you solutions is very, very challenging. In my opinion it's very rare to find vendors who really are trying to listen to your problems and trying to sell you solutions, which are <u>not biased</u> towards their own products. The word solution in my view is that a vendor should look at me as CIO and they should say 'I wanna make Bob a hero'. If they could make me a hero, then I would actually consider they're actually helping me solve the business's problems.</p> <p>Most of them are saying 'We're here to help', but in reality they're here to sell you their products. It's very difficult for a vendor to cold-call and get to see you as a CIO, <i>extremely difficult</i>. We're inundated with people who want to see us. The only way that they can really do it, is almost tap into what the business is <u>trying to do</u> and see the opportunity from that.</p>	<ul style="list-style-type: none"> <li>• Desire to fully understand customer's business</li> </ul>
Tim Goh, Senior VP Marketing, Singtel Singapore	What turns customers off	Don't give me any bullshit about yours being the best product and best of breed because no-body has best product and best of breed – it depends what the customer requires.	<ul style="list-style-type: none"> <li>• Customer focussed</li> <li>• Honesty</li> </ul>
Martin Dirks, Sales Director, Siemens	What turns customers off	Arrogance. I've met a lot of suppliers over the last 6 years who were and still are very successful. It's pure arrogance. In terms of how they treat the customer. In terms of body language in the way they discuss business with you. They just express arrogance.	<ul style="list-style-type: none"> <li>• Humility</li> <li>• Unpretentiousness</li> <li>• Respect</li> </ul>

Who	Video	What is said	Values Wanted
Martin Dirks-Siemens AMEA Sales Director	Transcript: Martin Dirks-Siemens AMEA Sales Director	<p>What I like to see with from people who sell to me is that they know their business. That they don't tell you fancy stories. That they listen to you. I think listening to a customer is for me is one of the most important issues in terms of finding a partner at the other end of the table, who is really interested not only in making the sale but who's also really interested in making a sale or establishing a long-term partnership. Where I always get very nervous as I meet people at my table who want to sell something, that they want to do it quickly, with as less efforts as possible.</p> <p>It's starting a dialogue. And where sometimes says people make really mistake, that they think that in one or two weeks, you know, it's done, it's over and done. I don't think it works that way. If you really start about a partnership, you expect, I expect as I said before, people know the business. People who are committed to support you in your business. And especially extremely important, people who listen to you. So it's not about only making a sale. Listen to the customer. Try to understand him. React in the right way. Making him the right proposal. And be honoured. Be honoured.</p> <p>I think what I expect from somebody who sells to me, don't tell story, don't tell fairy tale. Be honest with your partner. I think that's extremely import. And I also expect from somebody who's selling to me that he has the courage to say no, perhaps in a nice way, because the customer is always right, but you know that you also have to respect each other.</p>	<ul style="list-style-type: none"> <li>• Knowledgeable</li> <li>• Collaboration</li> <li>• Honesty</li> <li>• Customer focussed</li> <li>• Attentive</li> <li>• Dedication</li> <li>• Loyalty</li> </ul>
Gareth Bulloch Standard Chartered	What turns customers off	So we are looking for solutions rather than a particular sales pitch.	<ul style="list-style-type: none"> <li>• Customer focussed</li> </ul>
Alonzo Yanez, Partner, Deloitte Mexico	What turns customers off	Big companies and customers in general they don't want technologies or methodologies – they want solutions.	<ul style="list-style-type: none"> <li>• Customer focussed</li> </ul>
Cross Cultural Alignment guy like Gummi	Cultural Alignment	If a sales representative only has one country in mind when he visits us then the failure has already begun before we enter the room. Because when he starts to talk about the product I know him - that he only think about one country. I will immediately ask him what about this country – Sweden or Denmark. Then it's totally failure if he cannot answer that. I say can we finish this meeting. This is not interesting for us.	<ul style="list-style-type: none"> <li>• Customer focussed</li> <li>• Investigative</li> </ul>

Who	Video	What is said	Values Wanted
Colin Foy, Director of Engineering, Gerber Foods	Gerberv4	<p>I would like a supplier to understand that as a company we have many different levels. . . . A lot of suppliers still have the attitude that if they keep the CEO happy and they keep the Finance Director happy that everything is ok. . . . They have to respond to the requests of everybody else. If the operational staff have frustrations they need to resolve them. If the engineers have problems they need to resolve them. For many years X used to solve problems purely from a commercial basis. What they never then did was go and deal with the root cause. So what I expect from a supplier is not only do they have good working relationships at senior level that they have the respect of the operational staff right down to the guy who runs the machine. That they're working to make his life better. . . . I'm yet to find a supplier who says can I come and work in your production department for 4 days so I can get to know your business. If you really want to understand the frustrations of our business, come along and do it. Spend a night shift with our guys. It would be a wake up call. You can't train that – you have to experience it. There're very few people do that.</p> <p>Promise what they can deliver.</p>	<ul style="list-style-type: none"> <li>● Desire to fully understand customers' business</li> <li>● Investigative</li> <li>● Honesty</li> <li>● Dedication</li> </ul>

Who	Video	What is said	Values Wanted
Najib Nasr, GM, Lacnor Dairies	Qualities we are looking for	<p>I believe right now the sales person should be very well informed about all the aspects of the products. The sales person should be aware of all the market trends, the sales person should be aware of what is happening in the market, should be aware of the usage of the product, should be aware of the problems that he is facing. . . . Should be a person who knows the problems that we are facing, should know our supply chain properly, should help and assist in decreasing our operational costs – because it's to his advantage.</p> <p>Should know what is happening with his competition, should know what is the best practice in order to produce a competitive product, not only on the shelf but also in the factory.</p> <p>Should be having a command within his organisation. You need to authorise your sales people, your sales teams, in order to be efficient and effective in whatever you are doing.</p> <p>What we are asking from our suppliers is to bring all his representatives from his department to present to all our teams. The new things, the new waves, what his research and development department is doing. So it's not any more one person to one person it's a big number of departments talking to a big number of departments. What is needed for the time being is to make sure that the key account can impose and gather the effective elements in his company, bring them at least once or twice a year, exchange ideas with our people or take our people to their workshop ...and make sure that through interactive and professionals with each other then in this case will be able to have the result that we want.</p> <p>The role of the key account guy or person is to make sure he is orchestrating this particular symphony.</p>	<ul style="list-style-type: none"> <li>• Desire to fully understand customers' business</li> <li>• Investigative</li> <li>• Dedication</li> <li>• Influencer within own company</li> <li>• Collaboration</li> <li>• Coordination</li> <li>• Resourcefulness</li> </ul>



Who	Video	What is said	Values Wanted
Andrey Shlenov, Head of the Subscribers' Equipment Department Mobil'nye telesistemy standart GSM	Transcript: Andrey Shlenov – MTS Numberedit	The supplier must understand us, must help us. That is, the supplier has to understand that both for us and the supplier there is one common goal.  The first thing is a high level of professionalism. A person must know what he is selling and to whom he is selling it. In other words, there are many problems, more of a political... not on a commercial level so much as ... he is always accepted, but there must also be a political and ethical dimension to a salesman.	<ul style="list-style-type: none"> <li>• Collaboration</li> <li>• Professionalism</li> <li>• Knowledgeable</li> <li>• Ethical</li> </ul>
Michaél Køehn Milland CEO, Dangaard Telecom	Transcript: Denmark-Michael Koehn Milland numb	The simple stuff that he's not telling the truth. That he is not really trying to develop business not only meaning good offers or one-time deals, but develop business, that he is lazy, that he doesn't visit, that he doesn't believe in believe in partnership, that he's not faithful to an overall strategy of Siemens, that he's back mouthing his whole organisation, that he's not acting as a partner. That is something that would turn myself and my organisation off.	<ul style="list-style-type: none"> <li>• Honesty</li> <li>• Collaboration</li> <li>• Dedication</li> <li>• Attentive</li> <li>• Integrity</li> </ul>
Signor Gottero Partner & GM. Megatel Italy	Transcript Gottero, Megatel Italy	I'm waiting for a relationship of partnership. That means that I accept the information about news of the products, but I want too that the supplier share with me strategies for the future. And I like to know the visions of the suppliers, because my vision is general and must consider overall.  Surely I like someone hearing and not just speaking, and considering my needs.	<ul style="list-style-type: none"> <li>• Collaboration</li> <li>• Customer focussed</li> </ul>
Luc Cahon, SFR, procurement?	Transcript Luc Cahon-SFR-procurement eng	He really knows his products, he really knows the company he works for ... It's reactivity and efficiency. Good understanding of your requirements, knowing the decision-making circuit within your company, being reactive and having quite a lot of autonomy and decision-making power.	<ul style="list-style-type: none"> <li>• Knowledgeable</li> <li>• Desire to fully understand customer's business</li> <li>• Able to get things done in own company</li> </ul>

## Summary of Key Values Indicated

Customer focussed	13	Humility	2
Dedication	10	Unpretentiousness	2
Desire to fully understand customers' business	10	Manage resources in own company	2
Investigative	9	Trust	2
Collaboration	8	Integrity	2
Honesty	7	Professionalism	2
Non-pressurising	6	Enthusiasm	2
Proactive in approaching customer with ideas	5	Loyalty	2
Innovative	4	Friendliness	1
Identify best people/resources in own company	3	Resourcefulness	1
Inventive	3	Flexibility	1
Attentive	3	Strong work ethic	1
Respect	3	Diligence	1
Openness	3	Inquisitive	1
Able to get things done in own company	3	Creative	1
Ethical	3	Coordination	1
Knowledgeable	3		

## Definitions

Attentive:	Characterised by or giving attention. Observant. Thoughtful of others. Considerate. Polite. Courteous. Considerate.
Dedication:	To devote wholly and earnestly, as to some person or purpose. Working very hard at or spending a great deal of ones time and energy on something.
Diligence:	Constant and earnest effort to accomplish what is undertaken. Persistent exertion of body or mind. Careful and hard-working effort.
Enquiring:	To seek information by questions. To make investigation. To seek to learn by asking. Eager to discover or learn things.
Ethical:	Being in accordance with the accepted principles of right and wrong that govern the conduct of a profession.
Innovation	Being or producing something like nothing done or experienced or created before. To introduce new ideas, methods, etc.
Inquisitive:	Given to inquiry, research or asking questions. Eager for knowledge or information. Intellectually curious.
Integrity:	Adherence to moral and ethical principles; soundness of moral character; honesty.
Inventive:	Apt at creating with the imagination. Independence and creativity in thought and action.
Investigative:	To examine, study or inquire into systematically. To search out and examine the particulars of in an attempt to learn the facts about something hidden, unique or complex.
Resourceful:	Able to act effectively or imaginatively, especially in difficult situations. Able to deal skilfully and promptly with new situations, difficulties, etc.

HOW CAN A 'CLIENT-CENTRIC VALUES'  
APPROACH TO SELLING  
LEAD TO THE 'CO-CREATION' OF A NEW  
GLOBAL SELLING MINDSET?

**ANNEX 5**

**LIMITING VALUES REFLECTED IN  
STATEMENTS MADE BY CUSTOMERS**

PHILIP SQUIRE

Student Number: 2437626

March 2009

## Limiting Values Reflected in Statements Made by Customers

Who	What is said	Limiting Values Observed
Tim Goh, Senior VP Marketing, Singtel, Singapore	<p>Don't give me any bullshit about yours being the best product or best of breed because nobody has the best product and best of breed, it depends what the business requires.</p> <p>I'm not the person who can be pestered into doing things. Why? Because the selling becomes intense. The selling becomes something that's almost becoming hormonal, becomes in their genes that their trying to push something to you. When somebody promise you everything in the world you are probably going to get about 10% of that everything. And this is when you begin to worry about delivery.</p>	<ul style="list-style-type: none"> <li>• Bullshit talk</li> <li>• Pushy</li> <li>• Overpromise, underdeliver</li> <li>• Hard selling</li> </ul>
CTO, Vodafone UK	In a project you can't have a lack of responsibility or accountability.	<ul style="list-style-type: none"> <li>• Lack of responsibility/ accountability</li> </ul>
Technology Head, Starbucks USA	They are really not paying attention and listening. They haven't taken the time to get to know your business and you really don't sense they are part of your team. They are there for meeting a quota. In a very short time line. They are really only interested in talking to you if there is a short term opportunity. You can just sense the pressure in their approach.	<ul style="list-style-type: none"> <li>• Not listening</li> <li>• Not know the cust</li> <li>• Not part of the team</li> <li>• Only interested short term opp</li> <li>• Pressurising</li> <li>• Self-focussed</li> </ul>

Who	What is said	Limiting Values Observed
CTO, Vodafone UK	<p>They never really get engaged. They take very fleeting superficial moments of time from a variety of peoples' diary and then retire resigned back to their own desk or cubby hole back in their own company. It's outrageous! Salespeople should be spending all their time for their customers. Their cell phone should be on all the time. And if a customer is calling they should leave an internal meeting because there is nothing internally that could be more important than what a customer has to talk to you about. Those very simple things aren't done - or are done by so few salespeople. It's outrageous.</p> <p>I just don't think they get it. I don't think they actually understand. There is stuff up on their walls in their sales office saying the customer is always right, engage the customer all this kind of stuff.</p> <p>And yet if you ask them to dump their diary for a week I bet you dollars for donuts 50% of their time it's absolutely nothing to do with the customer. And they don't ask themselves what do I have to do to spend time with my customer. Why aren't I out there? What am I doing at the office at all if I'm not doing something for my customer?</p>	<ul style="list-style-type: none"> <li>• Don't engage</li> <li>• Self focussed</li> </ul>
Greg Gilmurray, Purchasing, Orange	But having a supplier that respects those boundaries, where people's responsibilities are. Too many relationships where not respected eg sly conversations round the back trying to find out information from other ways. Very frustrating, doesn't lend itself to trust. You end up not sharing things with that supplier. You become very defensive.	<ul style="list-style-type: none"> <li>• Lack of respect</li> <li>• Sneaky</li> </ul>
Valio	They don't know enough about their business. They don't know our market situation. They don't know our aims for the market. So that's why they can't solve our problems. They just sell.	<ul style="list-style-type: none"> <li>• Pushy</li> <li>• Self focussed</li> <li>• Not know the cust</li> <li>• Not know their business</li> </ul>
Plant Manager, Lacnor	There was a company that Lacnor used to deal with in the past. Only recently this company approached and said we want to help you and get back together in a relationship. We had that discussion and they had the opportunity to provide a service quickly and an answer on a problem I had. That discussion was 3 weeks ago, the presentation was 3 weeks ago. 'Til today they have not come back to me with a solution. And this is an immediate problem.	<ul style="list-style-type: none"> <li>• No sense of urgency</li> <li>• No effort</li> </ul>

Who	What is said	Limiting Values Observed
Marketing Manager, Dutch Mill	I don't like people who push me and don't listen, just try to convince.	<ul style="list-style-type: none"> <li>• Hard sell</li> <li>• Pushy</li> <li>• Don't listen</li> </ul>
Senior VP Cust Relationship Mgt, Celcom Malaysia	Some people are very aggressive in pushing the solution, they were not listening to the customer. So a lot of the failures were not listening. Customers get frustrated because sales people will not listen to their needs and keep on bringing the wrong solutions.	<ul style="list-style-type: none"> <li>• Aggressive</li> <li>• Not listening</li> </ul>
Bob Frosell, IMS Health UK	<p>In my opinion it's very rare to find vendors who really are trying to listen to your problems and trying to sell you solutions, which are <u>not biased</u> towards their own products</p> <p>Most of them are saying 'We're here to help', but in reality what they do is they're here to sell you their products.</p> <p>Very often a vendor will come in with what we call a boiler plate approach. The boiler plate being they have just dragged off a presentation they have done previously, topped it and tailed it, changed the names, changed the company, changed a few of the themes and then presented to you what THEY think what you want to hear as opposed to what you've TOLD them you want to hear.</p>	<ul style="list-style-type: none"> <li>• Biased</li> <li>• Not listening</li> <li>• Self focussed</li> <li>• No effort</li> </ul>
Martin Dirks, Sales Director, Siemens	Arrogance. I've met a lot of suppliers over the last 6 years who were and still are very successful. It's pure arrogance. In terms of how they treat the customer. In terms of body language in the way they discuss business with you. They just express arrogance.	<ul style="list-style-type: none"> <li>• Arrogance</li> </ul>
Norbert Metzner, Marketing, Vodafone	We have 13-15% market share they have 40 or 45% market share. It doesn't mean they have 3 times as much wisdom or knowledge than we have ( <i>see below for a bit more</i> ).	<ul style="list-style-type: none"> <li>• Arrogance</li> </ul>

Who	What is said	Limiting Values Observed
Greg Gilmurray, Purchasing, Orange	<p>I was speaking to the team in my office and various other people and saying how would you want to be treated and hard sell came out quite a bit. We just don't want to be put in a room and sold "double glazing".</p> <p>(You know, we want to feel special, the emotional side of it, No-one likes to sit there and just get sick and tired of a hard-nosed salesman pestering you or giving you a hard time all the time, it's not the way to develop a relationship with us.)</p>	<ul style="list-style-type: none"> <li>• Pushy</li> <li>• Hard selling</li> </ul>
Greg Gilmurray, Purchasing, Orange	Hard sell is probably the one thing I would say is we don't want to be treated as.	<ul style="list-style-type: none"> <li>• Hard sell</li> </ul>
Gareth Bulloch	We are looking for solutions rather than a particular sales pitch.	<ul style="list-style-type: none"> <li>• Pitching</li> </ul>
Partner, Deloitte Mexico	Big companies and customers in general they don't want technologies or they don't want methodologies- they want solutions.	<ul style="list-style-type: none"> <li>• Not providing solutions</li> </ul>
Sofie Westlake, Orange	So there has been examples of, for example, where a vendor has gone and spoken to me to get my views on a new product. Then they have gone to another part of the business to get another view, which in some respect is a logical approach. But if the objective of that is to try and divide people within the organisations and thereby through that to then win through the decisions that you want to achieve, then that's not the right approach.	<ul style="list-style-type: none"> <li>• Sneaky</li> <li>• Unethical</li> </ul>
Director, Starbucks USA	Customers can tell when you're trying to sell the same old thing but dressed it up. We know, usually, when that's happening to us. So you can't fool the customer.	<ul style="list-style-type: none"> <li>• Flogging same old thing</li> </ul>
Martin Dirks, Sales Director, Siemens	And where sometimes says people make really mistake, that they think that in one or two weeks, you know, it's done, it's over and done. I don't think it works that way. . . . So it's not about only making a sale.	<ul style="list-style-type: none"> <li>• Short-term focus</li> <li>• Sale focussed</li> </ul>
Procurement Manager	If a sales representative only has one country in mind when he visits us then the failure has already begun before we enter the room. Because when he starts to talk about the product I know him - that he only think about one country. I will immediately ask him what about this country – Sweden or Denmark. Then it's totally failure if he cannot answer that. I say can we finish this meeting. This is not interesting for us.	<ul style="list-style-type: none"> <li>• Not done homework</li> <li>• Not get to know the company??</li> </ul>



Who	What is said	Limiting Values Observed
Director, Gerber Foods	I'm yet to find a supplier who says can I come and work in your production department for 4 days so I can get to know your business. If you really want to understand the frustrations of our business, come along and do it. Spend a night shift with our guys. It would be a wake up call. You can't train that – you have to experience it. There're very few people do that.	<ul style="list-style-type: none"> <li>• Not get to know the company</li> </ul>
Michaél Køehn Milland, CEO, Dangaard Telecom	The simple stuff that he's not telling the truth. That he is not really trying to develop business not only meaning good offers or one-time deals, but develop business, that he is lazy, that he doesn't visit, that he doesn't believe in believe in partnership, that he's not faithful to an overall strategy of Siemens, that he's back mouthing his whole organisation, that he's not acting as a partner. That is something that would turn myself and my organisation off.	<ul style="list-style-type: none"> <li>• Dishonest</li> <li>• Short-term focus</li> <li>• Lazy</li> <li>• Unethical</li> </ul>

HOW CAN A 'CLIENT-CENTRIC VALUES'  
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GLOBAL SELLING MINDSET?

**ANNEX 6**

**OUTSTANDING/DIFFERENTIATING VALUES**

**AND**

**LIMITING/NEGATIVE VALUES**

PHILIP SQUIRE

Student Number: 2437626

March 2009

## Four Outstanding/Differentiating Values

Value:	Interpretation:	Behaviours:
<b>1. Client-Centricity</b>	<p>Genuinely desires to understand fully the customer's business. Naturally inquisitive.</p> <p>Believes it is essential to have a good understanding of the company direction and issues confronting the customer.</p> <p>Focuses on customer needs and providing the best-fit solution – not on finding a home for an "off-the-shelf" solution.</p> <p>Is diligent, dedicated and flexible with each customer.</p> <p>Passionate about own role and helping customers to improve their business. Positive disposition.</p> <p>Recognises that the role is to lead the solution and take personal responsibility.</p> <p>Believes in building long-term, value-added, equal relationships. Sees this as win-win.</p> <p>Has energy and a sense of urgency – wants to get things done.</p>	<p>Researches the customer's company and industry to gain a good understanding of their business drivers, value chain, strategic initiatives, projects, core processes, etc, as well as industry issues, trends and forces. Knows the client's organisational structure.</p> <p>Uses a variety of research methods such as books, magazines, analyst reports, government reports, annual reports, attending client briefing sessions, talking to industry leaders, internet and setting up web alerts for news items.</p> <p>Is available to the customer both on the phone and in person – even at short notice. Leaves internal meetings if a customer phones.</p> <p>Takes ownership and personal accountability for projects, issues and problems. Proactive in progressing the project and in identifying and solving problems.</p> <p>Adapts own behaviour to the culture of the organisation and the country. Uses the customer's language.</p> <p>Establishes relationships both inside and outside own organisation in order to find the best solution for a customer.</p> <p>Works together with the customer in joint efforts. Facilitates the development of joint initiatives between companies and partners.</p> <p>Demonstrates loyalty to the customer and the relationship.</p> <p>Listens carefully to what the customer is saying, and customers feel they have been understood.</p> <p>Explains things clearly and simply so that the customer can understand.</p> <p>Adjusts behaviours to adapt to customer's time pressures. For example, skip pleasantries and go straight to the point of the meeting, if culturally acceptable.</p> <p>Does not use a high-pressure sales approach.</p> <p>Keeps up-to-date with features and capabilities of own products and services.</p>

Value:	Interpretation:	Behaviours:
<b>2. Proactive Creativity</b>	<p>Recognises that clients value creativity highly and that own role is to constantly consider new ways to innovate.</p> <p>Creative thinker. Strives to invent creative solutions.</p> <p>Recognises that creativity is a mindset and relates not only to technical innovation but also to all aspects of the role.</p> <p>Enjoys the opportunity to think beyond the basic solution and consider all aspects of the customer's business.</p> <p>Enjoys thinking "outside the box".</p>	<p>Time is spent reflecting on the customer's business issues and what could be offered that would add value to areas the customer cares about.</p> <p>The time spent on reflection and creativity is proactive and in addition to any specific requests from the customer.</p> <p>Creative ideas go beyond the brief and can be for any area of the customer's business.</p> <p>Ideas are creative/innovative and surprise the customer.</p> <p>Ideas challenge the customer's thinking and push boundaries.</p> <p>Creativity and innovation is included in the deal-making process.</p> <p>Customers approach and ask for new ideas.</p> <p>Invitations are received from customers to attend strategic review meetings or innovation workshops.</p> <p>Processes are developed to ensure that innovation or value review meetings are held to review what went well and what did not with creative ideas.</p>

Value:	Interpretation:	Behaviours:
<b>3. Tactful Audacity</b>	<p>Fearless and daring when suggesting solutions and collaborations to customers.</p> <p>Willing to take surprisingly bold risks.</p> <p>Has a keen sense of what to do or say to avoid giving offence.</p> <p>Understands intuitively the complexities of situations, discussions and human dynamics and the appropriate behaviours required.</p> <p>Self-confident and positive in discussions with customers.</p> <p>Disregard for conventional thought and approaches.</p> <p>Heedless of restraints imposed by convention.</p> <p>Self-assured in attitude, does not feel the need to ingratiate self with the customer.</p>	<p>Ideas are proactively put forward to the customer, e.g. "There is something that you might not have thought of yet but because of xyz, I think that you might like to explore some new ideas."</p> <p>Bold in presentation of ideas, solutions and collaborations.</p> <p>Suggestions are presented with enthusiasm, demonstrating a genuine desire to add value to the customer's organisation.</p> <p>Customer considers the sales person forward/audacious and not afraid to stick their neck out.</p> <p>Audacious conversations are highly positive, clearly highlighting the benefits to the customer's organisation.</p> <p>Offence is not felt by the customer in response to the ideas presented or to the manner in which they are presented.</p> <p>Carefully plans and prepares each audacious approach to the customer to ensure maximum value and impact – and minimum offence.</p> <p>Demonstrates diplomacy when suggesting ideas to customers.</p> <p>Knows the limits for how far to push a suggestion with a customer and does not overstep this.</p>

Value:	Interpretation:	Behaviours:
<b>4. Authenticity</b>	<p>Is honest and has integrity resulting in undisputed credibility.</p> <p>Unpretentious and free from affectation, inflated self-image and hypocrisy.</p> <p>Does not feel the need to be seen as more important or knowledgeable than the customer. Is confident in own abilities.</p> <p>Sincere in all dealings with customers, colleagues and partners.</p> <p>A genuine person. Does not pretend to be someone that he/she is not.</p> <p>Feels the need to present information and capabilities factually.</p> <p>Genuinely believes that each customer requires an original solution, specific to their needs and situation.</p>	<p>Does not hide things from the customer or try to cover the truth for own or own company's advantage. Ensures the customer does not feel that information is being withheld.</p> <p>Ensures individuals in the customer's organisation are aware of other relationships being pursued/maintained within the company.</p> <p>Customer is not made to feel pressured to buy.</p> <p>Does not try to sell "off-the shelf" solutions. Customers "know" they are getting an original solution.</p> <p>Ethical behaviours are reflected in both verbal and written communication.</p> <p>Demonstrates sincerity when rapport building. Only asks questions where there is a genuine interest or knowledge. Questioning is not forced or interest faked.</p> <p>Customer gains a good impression not only of the sales person but also of the whole company.</p> <p>Data is represented correctly and not manipulated to prove a particular point. All data appears credible and does not look questionable.</p> <p>Does not make false claims either in capability or in ownership of material.</p> <p>Documentation is original and what it claims to be.</p> <p>Based on behaviours, judged to be dependable and trustworthy by customers.</p>

## Four Limiting/Negative Values

*Values that the buyers see reflected in the behaviours and attitudes of sales people – not necessarily values that sales people aspire to.*

Value:	Interpretation:	Behaviours:
<b>1. Ego-Centricity</b>	<p>Rates self-satisfaction well above customer satisfaction.</p> <p>Prime focus is achievement of targets and the financial reward.</p> <p>Believes that sales people know what is best for the customer as they are the experts in the product/service.</p> <p>Has not considered that sales people should be a part of the customer's team.</p>	<p>Often seen as arrogant and/or aggressive.</p> <p>Customers do not believe all that they are told, or are suspicious about the accuracy of information provided.</p> <p>"Presentations" are delivered, as opposed to having intelligent conversations around a solution. Presentations are often based purely on PowerPoint slides.</p> <p>Presentations are focussed on the sales person's company and a suite of established products/services – not on demonstrating an understanding of the customer, industry, needs, appropriate solutions, etc.</p> <p>Does not consider partnerships with other organisations or using products/services of another organisation as part of a solution.</p> <p>Does not inform the customer of all the individuals being spoken with in the customer's organisation.</p> <p>Can be seen as taking over or controlling the customer's environment.</p> <p>Can be seen to lack respect.</p>

Value:	Interpretation:	Behaviours:
<b>2. Manipulation</b>	<p>Believes that a good sales person can sell nearly anything to anyone.</p> <p>Believes that if a sales person asks enough questions, they will always be able identify a need that can be matched to a product/service they sell.</p> <p>Tenacious and persistent because they believe the customer can often be convinced or worn down.</p>	<p>Customer feels pressured to buy and considers the sales person to be pushy.</p> <p>Continuously follows up with the customer – even when the customer has said they are not interested. Approaches are often unwelcome by the customer.</p> <p>Does and says whatever it takes to get the sale. Exaggerates the product/service in order to gain interest and the sale.</p> <p>Tries to "convince" the customer to buy, however, arguments used are often not relevant or of interest to the customer.</p> <p>Has a "kitbag" full of "sales techniques". These techniques cover most situations that the sales person will encounter.</p> <p>The sales techniques and processes used often make customers feel they are being "sold to" and that a sales process is being "done to them".</p> <p>Does not keep the customer fully informed in order to keep "the upper hand".</p> <p>Can be dishonest and/or unethical in order to get or improve the sale.</p> <p>Sometimes plays individuals off against each other to get the information required for the deal.</p> <p>The customer finds that not all of the sales person's promises are fulfilled.</p>



Value:	Interpretation:	Behaviours:
<b>3. Complacency</b>	<p>Feeling of contentment or smug self-satisfaction with own abilities.</p> <p>Excessively favourable opinion of own ability, importance, wit, etc.</p> <p>Considers own sales practices to be the correct way.</p> <p>Absence of passion or excitement in relation to the customer.</p> <p>Is not genuinely interested in or concerned for the customer.</p>	<p>Does not really listen to the customer and customers feel this.</p> <p>Rarely strays from own comfort zone.</p> <p>Does not identify the real issues for the customer in order to match a suitable solution. Customers feel that little or no effort has been made by the sales person.</p> <p>Can be seen as lazy.</p> <p>Little attempt is made to get to know the customer and/or industry better.</p> <p>Self-satisfied confidence can mean that sales person does not notice that the customer is responding negatively or that someone else who is more customer-focussed is going to win the deal.</p> <p>Knowledge level is low in relation to the customer, the customer's position in the market and the industry.</p> <p>Information and solutions presented are not always relevant to the customer.</p> <p>Lacks a sense of urgency on important issues as does not always understand customer priorities.</p> <p>Solutions lack originality and innovation.</p>

Value:	Interpretation:	Behaviours:
<b>4. Short-Sighted</b>	<p>Higher focus on the immediate deal than on forming long-term partnerships.</p> <p>Considers that responsibilities finish when the sale has closed.</p> <p>Targets are short-term (e.g. for the year/quarter) so these time frames are the only concerns.</p> <p>Does not consider it necessary to have an in-depth knowledge of the customer's company as a whole and their place in the industry.</p>	<p>Solutions presented only cover immediate or requested needs.</p> <p>Standard products/services are presented, with very little customisation to the needs of specific customers.</p> <p>Solutions and suggestions are reactive rather than proactive.</p> <p>Does not think strategically about the customer's company.</p> <p>Little attempt is made to develop strong and genuine personal relationships with customers.</p> <p>The customer has difficulty contacting the sales person once the sale has closed.</p> <p>Post-sale contact is routine and normally has the objective of trying to sell further products or services.</p> <p>"Added value" is at the level of an additional product for free, as opposed to helping the customer to achieve goals beyond the scope of the sale.</p> <p>Does not "waste" too much time researching the customer and/or industry.</p>

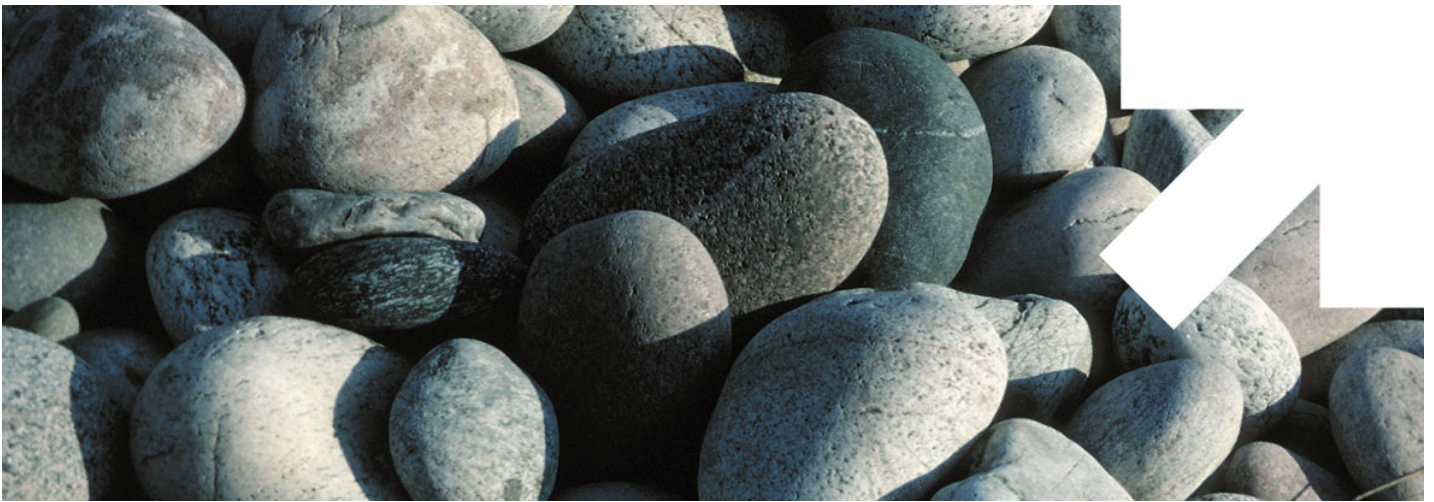
HOW CAN A 'CLIENT-CENTRIC VALUES'  
APPROACH TO SELLING  
LEAD TO THE 'CO-CREATION' OF A NEW  
GLOBAL SELLING MINDSET?

**ANNEX 7**  
**WINNING VALUE PROPOSITION**  
**PARTICIPANT MANUAL**

PHILIP SQUIRE

Student Number: 2437626

March 2009



# Participant Manual

## Creating a Winning Value Proposition

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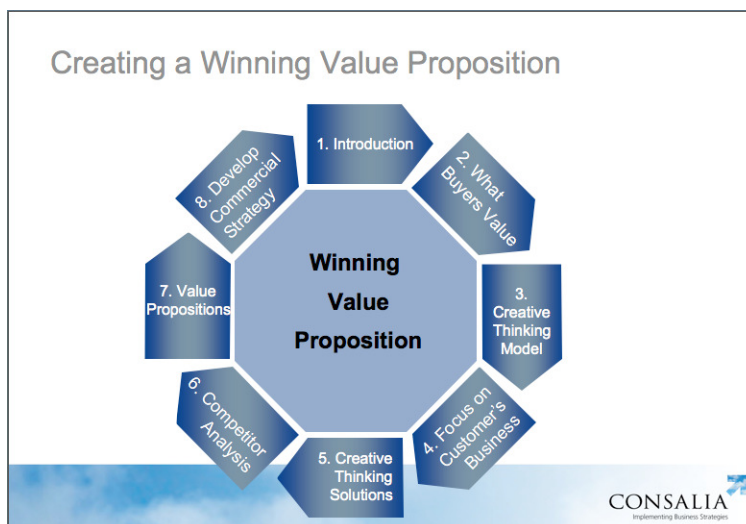
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# The Winning Value Proposition Approach

This approach aims to:

- Focus on creativity in the deal making process.
- Identify what issues are concerning the customer and find solutions to address those issues.
- Maximise the productivity of the bid team by allocating more time for strategising at the start of the bid development process.
- Improve conversion rates.

# 1. Workshop Overview



## 1. Introduction

## 2. What Buyers Value

This module explains research that Consalia carried out with senior executives in global companies. Executives were asked about what they wanted from a relationship with salespeople. Excerpts from these interviews help us to understand how our customers are thinking.

## 3. Creative Thinking Model

A case study involving a very creative deal is covered. The Creative Thinking model is introduced.

## 4. Focus on Customer Business

This step is about spending time analysing the customer's business and what it is they are trying to achieve, e.g. What factors are influencing them in the marketplace? What pressures are they facing? What appear to be their key business drivers? What are their strategic initiatives? What projects are they undertaking?

## **5. Creative Thinking Solutions**

In this step we look at what the customer really cares about and what your company can offer that will help them achieve their objectives. Here you use the Creative Thinking model with your customer to generate ideas for creative solutions. The ideas will be divided into 5 or 6 Win Themes and then analysed for feasibility, value to the customer and value to your company.

## **6. Build Competitive Advantage**

It is important to take a look at your key competitors in the bid and check how your ideas stand up against the opposition. Do you have some strengths that they don't have? Do they have any weak areas that you could bid against?

## **7. Value Propositions**

Value Propositions and Executive Summaries are about getting the attention of your client and emphasising the value you can offer. A few guidelines are provided to help you.

## **8. Develop a Commercial Strategy**

Finally, determine what resources you require, who is responsible for what and by when. Who will ensure the Win Themes are carried forward?



## 2. What Buyers Value

Consalia has carried out research with over 50 senior executives – asking what they expected from a sales person. Some key points are below.

### Key points made by company executives

- “90% of sales people are a complete waste of time.”
- “Only 10% (meet my expectation) – they simply don’t get it.”
- “There are so few people who will work hard enough to understand what our business is. Will work hard enough on working more on OUR business than their own business. I’ve never turned down a salesman’s request for a desk in our office. Never turned down a salesman’s request to be present at a briefing session. It’s never happened. They’ve never asked. They never really get engaged.”
- “A piece of advice – really spend a lot of time and invest in understanding your customer’s business, in understanding their culture and understanding what kind of issues they have, strategies they have and, be proactive about understanding what your company offers in way of solutions.”
- “Too many relationships where not respected, e.g. sly conversations round the back trying to find out information from other ways. Very frustrating, doesn’t lend itself to trust. You end up not sharing things with that supplier. You become very defensive.”
- “Customers can tell when you’re trying to sell the same old thing but dressed it up. We know, usually, when that’s happening to us. So you can’t fool the customer.”
- “We need suppliers to generate ideas for us. To come to us and say, What about this? What about this as a promotion? Why don’t we try this with this product? If we did this, could we generate more sales?”
- “[We would like it ] if a vendor comes to us and says here are some ideas but we’re not quite sure how that fits with some of your longer term plans, or medium term plans. Can we sit down and work out how we can link this with other things you are doing?”

- “We want the relationships with our supplier and buyer to be very close. To be close means that we do things together. Sometimes we do together market research. We both have our own target and then we do the research together and we learn together about that research.”
- “I want a marriage where you express you are faithful. That you will be together until you don’t live any more. Where it is predictable what you do – transparent what you do. Where what you say today also counts tomorrow and in 3 months.”
- “I think the most important thing is that the salesperson must know the business of the customer. If he knows the business he is able to offer new services and new solutions for the business. I mean, the salesperson could be proactive.”
- “They don’t know enough about their business. They don’t know our market situation. They don’t know our aims for the market. So that’s why they can’t solve our problems. They just sell.”
- “Big companies and customers in general they don’t want technologies or methodologies – they want solutions.”
- “They’re really not paying attention and listening. They haven’t taken the time to get to know your business. You really don’t sense that they’re a part of your team. They’re there for meeting a quote and a very short time line. They are really only interested to talk to you if there’s a short term opportunity. You can just sense the pressure in their approach.”
- “Sales people should be spending all their time for their customers. Their cell phone should be on all the time. And if a customer is calling they should leave an internal meeting because there is nothing internally that could be more important than what a customer has to talk to you about. Those very simple things aren’t done – or are done by so few sales people. It’s outrageous.”
- “Very often a vendor will come in with what we call a boiler plate approach. The boiler plate being they have just dragged off a presentation they have done previously, topped it and tailed it, changed the names, changed the company, changed a few of the themes and then presented to you what THEY think you want to hear as opposed to what you’ve TOLD them you want to hear.”
- “Don’t give me any bullshit about yours being the best product and best of breed because nobody has best product and best of breed – it depends what the customer requires.”

## Four Values

After conducting all the interviews the information gathered was analysed. By looking at what customers said they did and didn't want in a sales person we were able to synthesise this into Four Values. Four Differentiating Values that will help a sales person become outstanding – and Four Limiting Values that will limit a sales person's effectiveness.

The Four Differentiating Values	The Four Limiting Values
1. Authenticity	1. Complacency
2. Client Centricity	2. Short Sighted
3. Proactive Creativity	3. Manipulation
4. Tactful Audacity	4. Ego Centricity

Attitudes and Behaviours were then defined for each of these Four Values – using the feedback from customers. These are outlined on the following pages.

The values summarise the comments that people made during interviews. They summarise the behaviours that executives want to see and what they don't want to see.

If we can take the Differentiating Values on board and live these attitudes and behaviours, then we should be able to achieve a higher level of relationship with our customers, because we are behaving as they want.

But remember, you need to genuinely believe the values, not just fake the behaviours. Customers can tell when sales people are not being genuine.

## Four Limiting/Negative Values

### 1. Complacency

Attitudes:	Behaviours:
<ul style="list-style-type: none"> <li>• Feeling of contentment or smug self-satisfaction with own abilities.</li> <li>• Excessively favorable opinion of own ability, importance, wit, etc.</li> <li>• Considers own sales practices to be the correct way.</li> <li>• Absence of passion or excitement in relation to the customer.</li> <li>• Is not genuinely interested in or concerned for the customer.</li> </ul>	<ul style="list-style-type: none"> <li>• Does not really listen to the customer and customers feel this.</li> <li>• Rarely strays from own comfort zone.</li> <li>• Does not identify the real issues for the customer in order to match a suitable solution. Customers feel that little or no effort has been made by the sales person.</li> <li>• Can be seen as lazy.</li> <li>• Little attempt is made to get to know the customer and/or industry better.</li> <li>• Self-satisfied confidence can mean that sales person does not notice that the customer is responding negatively or that someone else who is more customer focussed is going to win the deal.</li> <li>• Knowledge level is low in relation to the customer, the customer's position in the market and the industry.</li> <li>• Information and solutions presented are not always relevant to the customer.</li> <li>• Lacks a sense of urgency on important issues as does not always understand customer priorities.</li> <li>• Solutions lack originality and innovation.</li> </ul>

## 2. Short Sightedness

Attitudes:	Behaviours:
<ul style="list-style-type: none"> <li>• Higher focus on the immediate deal than on forming long term partnerships.</li> <li>• Considers that responsibilities finish when the sale has closed.</li> <li>• Targets are short term (e.g. for the year/quarter) so these time frames are the only concerns.</li> <li>• Does not consider it necessary to have an in-depth knowledge of the customer's company as a whole and their place in the industry.</li> </ul>	<ul style="list-style-type: none"> <li>• Solutions presented only cover immediate or requested needs.</li> <li>• Standard products/services are presented, with very little customisation to the needs of specific customers.</li> <li>• Solutions and suggestions are reactive rather than proactive.</li> <li>• Does not think strategically about the customer's company.</li> <li>• Little attempt is made to develop strong and genuine personal relationships with customers.</li> <li>• The customer has difficulty contacting the sales person once the sale has closed.</li> <li>• Post sale contact is routine and normally has the objective of trying to sell further products or services.</li> <li>• "Added value" is at the level of an additional product for free, as opposed to helping the customer to achieve goals beyond the scope of the sale.</li> <li>• Does not "waste" too much time researching the customer and/or industry.</li> </ul>

### 3. Manipulation

Attitudes:	Behaviours:
<ul style="list-style-type: none"> <li>• Believes that a good sales person can sell nearly anything to anyone.</li> <li>• Believes that if a sales person asks enough questions they will always be able identify a need that can be matched to a product/service they sell.</li> <li>• Tenacious and persistent because they believe the customer can often be convinced or worn down.</li> </ul>	<ul style="list-style-type: none"> <li>• Customer feels pressured to buy and considers the sales person to be pushy.</li> <li>• Continuously follows up with the customer – even when the customer has said they are not interested. Approaches are often unwelcomed by the customer.</li> <li>• Does and says whatever it takes to get the sale. Exaggerates the product/service in order to gain interest and the sale.</li> <li>• Tries to “convince” the customer to buy, however, arguments used are often not relevant or of interest to the customer.</li> <li>• Has a “kitbag” full of “sales techniques”. These techniques cover most situations that the sales person will encounter.</li> <li>• The sales techniques and processes used often make customers feel they are being “sold to” and that a sales process is being “done to them”.</li> <li>• Does not keep the customer fully informed in order to keep “the upper hand”.</li> <li>• Can be dishonest and/or unethical in order to get or improve the sale.</li> <li>• Sometimes plays individuals off against each other to get the information required for the deal.</li> <li>• The customer finds that not all of the sales person’s promises are fulfilled.</li> </ul>

#### 4. Ego Centricity

Attitudes:	Behaviours:
<ul style="list-style-type: none"> <li>• Rates self satisfaction well above customer satisfaction.</li> <li>• Prime focus is achievement of targets and the financial reward.</li> <li>• Believes that sales people know what is best for the customer as they are the experts in the product/service.</li> <li>• Has not considered that sales people should be a part of the customer's team.</li> </ul>	<ul style="list-style-type: none"> <li>• Often seen as arrogant and/or aggressive.</li> <li>• Customers do not believe all that they are told, or are suspicious about the accuracy of information provided.</li> <li>• "Presentations" are delivered, as opposed to having intelligent conversations around a solution. Presentations are often based purely on PowerPoint slides.</li> <li>• Presentations are focussed on the sales person's company and a suite of established products/services – not on demonstrating an understanding of the customer, industry, needs, appropriate solutions, etc.</li> <li>• Does not consider partnerships with other organisations or using products/services of another organisation as part of a solution.</li> <li>• Does not inform the customer of all the individuals being spoken with in the customer's organisation.</li> <li>• Can be seen as taking over or controlling the customer's environment.</li> <li>• Can be seen to lack respect.</li> </ul>

## Four Differentiating/Outstanding Values

### 1. Authenticity

Attitudes:	Behaviours:
<ul style="list-style-type: none"> <li>• Is honest and has integrity resulting in undisputed credibility.</li> <li>• Unpretentious and free from affectation, inflated self-image and hypocrisy.</li> <li>• Does not feel the need to be seen as more important or knowledgeable than the customer. Is confident in own abilities.</li> <li>• Sincere in all dealings with customers, colleagues and partners.</li> <li>• A genuine person. Does not pretend to be someone that he/she is not.</li> <li>• Feels the need to present information and capabilities factually.</li> <li>• Genuinely believes that each customer requires an original solution, specific to their needs and situation.</li> </ul>	<ul style="list-style-type: none"> <li>• Does not hide things from the customer or try to cover the truth for own or own company's advantage. Ensures the customer does not feel that information is being withheld.</li> <li>• Ensures individuals in the customer's organisation are aware of other relationships being pursued/maintained within the company.</li> <li>• Customer is not made to feel pressured to buy.</li> <li>• Does not try to sell "off the shelf" solutions. Customers "know" they are getting an original solution.</li> <li>• Ethical behaviours are reflected in both verbal and written communication.</li> <li>• Demonstrates sincerity when rapport building. Only asks questions where there is a genuine interest or knowledge. Questioning is not forced or interest faked.</li> <li>• Customer gains a good impression not only of the sales person but also of the whole company.</li> <li>• Data is represented correctly and not manipulated to prove a particular point. All data appears credible and does not look questionable.</li> <li>• Does not make false claims either in capability or in ownership of material.</li> <li>• Documentation is original and what it claims to be.</li> <li>• Based on behaviours, judged to be dependable and trustworthy by customers.</li> </ul>



## 2. Client Centricity

Attitudes:	Behaviours:
<ul style="list-style-type: none"> <li>● Genuinely desires to fully understand the customer's business. Naturally inquisitive.</li> <li>● Believes it is essential to have a good understanding of the company direction and issues confronting the customer.</li> <li>● Focuses on customer needs and providing the best-fit solution - not on finding a home for an "off the shelf" solution.</li> <li>● Is diligent, dedicated and flexible with each customer.</li> <li>● Passionate about own role and helping customers to improve their business. Positive disposition.</li> <li>● Recognises that the role is to lead the solution and take personal responsibility.</li> <li>● Believes in building long term, value added, equal relationships. Sees this as win/win.</li> <li>● Has energy and a sense of urgency – wants to get things done.</li> </ul>	<ul style="list-style-type: none"> <li>● Researches the customer's company and industry to gain a good understanding of their business drivers, value chain, strategic initiatives, projects, core processes, etc., as well as industry issues, trends and forces. Knows the client's organisational structure.</li> <li>● Uses a variety of research methods such as books, magazines, analyst reports, government reports, annual reports, attending client briefing sessions, talking to industry leaders, internet and setting up web alerts for news items.</li> <li>● Is available to the customer both on the phone and in person – even at short notice. Leaves internal meetings if a customer phones.</li> <li>● Takes ownership and personal accountability for projects, issues and problems. Proactive in progressing the project and in identifying and solving problems.</li> <li>● Adapts own behaviour to the culture of the organisation and the country. Uses the customer's language.</li> <li>● Establishes relationships both inside and outside own organisation in order to find the best solution for a customer.</li> <li>● Works together with the customer in joint efforts. Facilitates the development of joint initiatives between companies and partners.</li> <li>● Demonstrates loyalty to the customer and the relationship.</li> <li>● Listens carefully to what the customer is saying and customers feel they have been understood.</li> <li>● Explains things clearly and simply so that the customer can understand.</li> <li>● Adjusts behaviours to adapt to customer's time pressures. For example, skip pleasantries and go straight to the point of the meeting, if culturally acceptable.</li> <li>● Does not use a high pressure sales approach.</li> <li>● Keeps up to date with features and capabilities of own products and services.</li> </ul>

### 3. Proactive Creativity

Attitudes:	Behaviours:
<ul style="list-style-type: none"> <li>• Recognises that clients value creativity highly and that own role is to constantly consider new ways to innovate.</li> <li>• Creative thinker. Strives to invent creative solutions.</li> <li>• Recognises that creativity is a mindset and relates not only to technical innovation but to all aspects of the role.</li> <li>• Enjoys the opportunity to think beyond the basic solution and consider all aspects of the customer's business.</li> <li>• Enjoys thinking "outside the box".</li> </ul>	<ul style="list-style-type: none"> <li>• Time is spent reflecting on the customer's business issues and what could be offered that would add value to areas the customer cares about.</li> <li>• The time spent on reflection and creativity is proactive and in addition to any specific requests from the customer.</li> <li>• Creative ideas go beyond the brief and can be for any area of the customer's business.</li> <li>• Ideas are creative/innovative and surprise the customer.</li> <li>• Ideas challenge the customer's thinking and push boundaries.</li> <li>• Creativity and innovation is included in the deal making process.</li> <li>• Customers approach and ask for new ideas.</li> <li>• Invitations are received from customers to attend strategic review meetings or innovation workshops.</li> <li>• Processes are developed to ensure that innovation or value review meetings are held to review what went well and what didn't with creative ideas.</li> </ul>

#### 4. Tactful Audacity

Attitudes:	Behaviours:
<ul style="list-style-type: none"> <li>• Fearless and daring when suggesting solutions and collaborations to customers.</li> <li>• Willing to take surprisingly bold risks.</li> <li>• Has a keen sense of what to do or say to avoid giving offence.</li> <li>• Understands intuitively the complexities of situations, discussions and human dynamics and the appropriate behaviours required.</li> <li>• Self-confident and positive in discussions with customers.</li> <li>• Disregard for conventional thought and approaches.</li> <li>• Heedless of restraints imposed by convention.</li> <li>• Self-assured in attitude, does not feel the need to ingratiate self with the customer.</li> </ul>	<ul style="list-style-type: none"> <li>• Ideas are proactively put forward to the customer, e.g. "There is something that you might not have thought of yet but because of xyz I think that you might like to explore some new ideas".</li> <li>• Bold in presentation of ideas, solutions and collaborations.</li> <li>• Suggestions are presented with enthusiasm, demonstrating a genuine desire to add value to the customer's organisation.</li> <li>• Customer considers the sales person forward/audacious and not afraid to stick their neck out.</li> <li>• Audacious conversations are highly positive, clearly highlighting the benefits to the customer's organisation.</li> <li>• Offence is not felt by the customer in response to the ideas presented or to the manner in which they are presented.</li> <li>• Carefully plans and prepares each audacious approach to the customer to ensure maximum value and impact – and minimum offence.</li> <li>• Demonstrates diplomacy when suggesting ideas to customers.</li> <li>• Knows the limits for how far to push a suggestion with a customer and does not overstep this.</li> </ul>

### 3. Creative Thinking Model

The Creative Thinking model was developed as a result of the research and interviews Consalia carried out with senior executives. Further in-depth interviews were held with HP and Starbucks executives. This led to the development of a simple model.

Creative Thinking is about thinking beyond your own company and your customer and thinking about your customer's customer.

Consider the questions:

1. What value does my customer seek for themselves?
2. What value does my customer seek for their customers?
3. What do we have that could impact on the areas they care about?

Always complete the "HP" box last.

#### Example: Starbucks and HP

HP	Starbucks	Consumers
What do we have that could impact on areas they care about?	What value do they seek for themselves?	What value do they seek for their customers?
<ul style="list-style-type: none"> <li>• Desktop hardware/software</li> <li>• Servers</li> <li>• Wireless technology solutions</li> <li>• R&amp;D</li> <li>• Joint marketing</li> <li>• IT support</li> </ul>	<ul style="list-style-type: none"> <li>• Increase overall profitability</li> <li>• Increase the number of profitable customers coming through the door</li> <li>• Increase market share</li> <li>• Increase share price</li> <li>• Increase revenue per customer</li> <li>• Differentiate from other coffee shops</li> <li>• Strengthen brand with most profitable customers</li> <li>• Increase time each customer spends in the store</li> </ul>	<ul style="list-style-type: none"> <li>• Relaxing &amp; friendly atmosphere</li> <li>• Quality food and drinks</li> <li>• The third place</li> <li>• Good service</li> <li>• Loyalty</li> <li>• Convenience</li> <li>• Comfortable meeting place</li> <li>• Consistency</li> </ul>

The reality of this example is that it was Starbucks who had the idea of installing wireless networks in all their 1,200 stores in the US. They wanted to create an environment where people wanted to spend time – the Third Place. First place being home, the second place being work, and the third place being Starbucks. People would be encouraged to meet at Starbucks and to check emails and use the internet.

Starbucks approached their suppliers with a view to creating value for all parties and getting a wireless network installed in their stores for free.

Customers want suppliers to be proactive with creative and innovative ideas. This situation could easily have been driven by HP instead of by Starbucks.

It is this proactive creativity that could result in gaining an edge over competitors in a bid situation.

Two years after the HP/Starbucks deal was struck HP had increased their share of Starbucks's IT spend from 3% to 55% - against competitors such as IBM, Dell, Sun Solaris and EMC. They also got their branding in front of millions of their target customers.

## 4. Focus on Customer's Business

Focussing on the customer's business is the first step towards identifying creative solutions.

### Value Chain

A good starting point to understanding your customer is to draw a diagram of the customer's Value Chain. By clarifying participants both up and down the Value Chain, we can start to form a picture of issues and players that could impact on the customer's business.

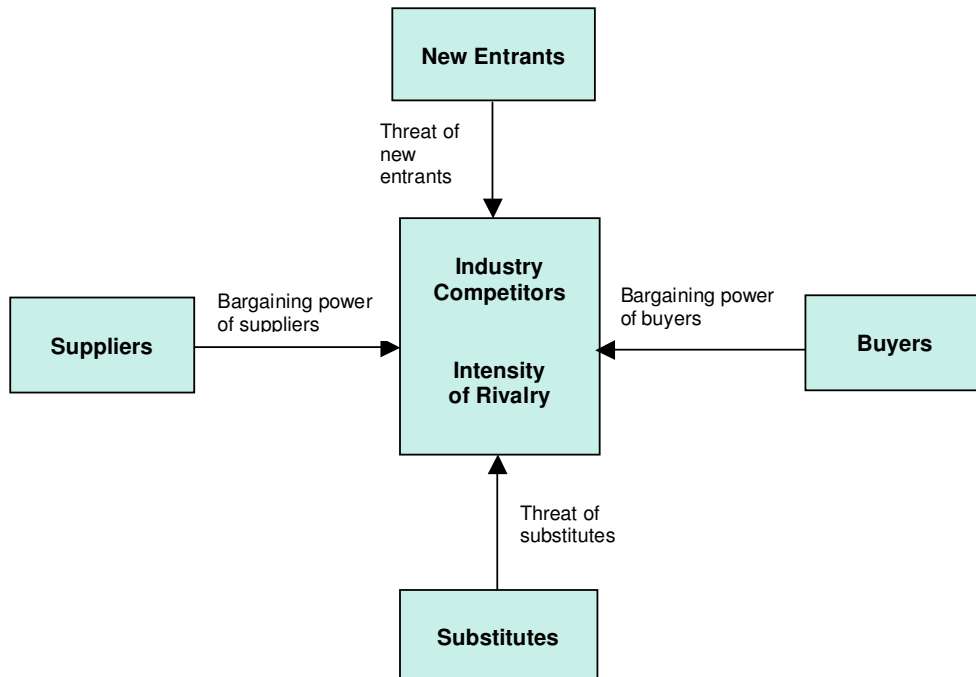
### Competitive Forces Impacting on the Business

One tool that can help you to understand the customer's business is Michael Porter's model. In 1979 Michael Porter identified five Forces that impact on companies. The model can help you to identify the different competitive Forces that are impacting on the customer and on their industry. The model is explained over the next few pages.

Porter's model is based on the insight that a corporate strategy should meet the opportunities and threats in the organisation's external environment. Especially, competitive strategy should be based on an understanding of industry structures and the way they change.

Porter has identified five competitive forces that shape every industry and every market. The objective of corporate strategy should be to modify these competitive forces in a way that improves the position of the organisation. A 6<sup>th</sup> Force of "Government" has also become very relevant.

By examining each of these five Forces in relation to your customer, you can decide how to influence or to exploit particular characteristics of their industry.



These five "competitive forces" are:

1. The threat of entry of new competitors (new entrants)
2. The threat of substitutes
3. The bargaining power of buyers
4. The bargaining power of suppliers
5. The degree of rivalry between existing competitors

## **Bargaining Power of Suppliers**

Suppliers are the businesses that supply materials and other products into the industry. The cost of items bought from suppliers (e.g. raw materials, components) can have a significant impact on a company's profitability.

Supplier bargaining power is likely to be high when:

- The market is dominated by a few large suppliers rather than a fragmented source of supply.
- There are no substitutes for the particular input.
- The suppliers' customers are fragmented, so their bargaining power is low.
- The switching costs from one supplier to another are high.
- There is the possibility of the supplier integrating forwards in order to obtain higher prices and margins. This threat is especially high when:
  - The buying industry has a higher profitability than the supplying industry.
  - Forward integration provides economies of scale for the supplier.
  - The buying industry hinders the supplying industry in their development (e.g. reluctance to accept new releases of products).
  - The buying industry has low barriers to entry.

In such situations, the buying industry often faces a high pressure on margins from their suppliers. The relationship to powerful suppliers can potentially reduce strategic options for the organization.

## **Bargaining Power of Customers**

Buyers are the people / organisations who create demand in an industry. The bargaining power of customers determines how much customers can impose pressure on margins and volumes.

Customers' bargaining power is likely to be high when:

- They buy large volumes, there is a concentration of buyers.
- The supplying industry comprises a large number of small operators.
- The supplying industry operates with high fixed costs.
- The product is undifferentiated and can be replaced by substitutes.
- Switching to an alternative product is relatively simple and is not related to high costs.
- Customers have low margins and are price-sensitive.
- Customers could produce the product themselves.
- The product is not of strategic importance for the customer.
- The customer knows about the production costs of the product.
- There is the possibility for the customer integrating backwards.



## **Threat of New Entrants**

The easier it is for companies to enter an industry, the higher the competition will be. New entrants in the industry could change major determinants of the market environment at any time (e.g. market shares, prices, customer loyalty).

The threat of new entrants largely depends on the barriers to entry. High entry barriers exist in some industries (e.g. shipbuilding) whereas other industries are very easy to enter (e.g. estate agency, restaurants). Key barriers to entry include:

- Economies of scale (minimum size requirements for profitable operations).
- High initial investments and fixed costs.
- Brand loyalty of customers.
- Scarcity of important resources, e.g. qualified expert staff.
- Access to raw materials is controlled by existing players.
- Distribution channels are controlled by existing players.
- Existing players have close customer relations, e.g. from long-term service contracts.
- High switching costs for customers.
- Legislation and government action.
- Protected intellectual property like patents, licenses, etc.

## **Threat of Substitutes**

Substitute products refers to products in different industries. For example, the price of aluminium cans is constrained by the price of glass bottles, steel cans and plastic containers. The price of new truck tyres is constrained by the price of retreads.

Substitutes could potentially attract a significant proportion of market volume and hence reduce the potential sales volume for existing players.

The threat of substitutes is determined by factors such as:

- Brand loyalty of customers.
- Close customer relationships.
- Switching costs for customers.
- The relative price for performance of substitutes.
- Current trends.

## **Competitive Rivalry between Existing Players**

This force describes the intensity of competition between existing players (companies) in an industry. High competitive pressure results in pressure on prices, margins, and, therefore, on profitability for every single company in the industry.

Competition between existing players is likely to be high when:

- There are many players of about the same size.
- Players have similar strategies.
- There is not much differentiation between players and their products, hence, there is much price competition.
- Low market growth rates (growth of a particular company is possible only at the expense of a competitor).
- Barriers for exit are high (e.g. the cost of closing down factories).

## Influencing the Power of Five Forces

The following figure provides some examples of reducing the power of competitive forces. They are of general nature so they have to be adjusted to each organisation's specific situation. The options of an organisation are determined not only by the external market environment, but also by its own internal resources, competences and objectives.

Reducing the Bargaining Power of Suppliers	Reducing the Bargaining Power of Customers
<ul style="list-style-type: none"> <li>• Partnering</li> <li>• Supply chain management</li> <li>• Supply chain training</li> <li>• Increase dependency</li> <li>• Build knowledge of supplier costs and methods</li> <li>• Take over a supplier</li> </ul>	<ul style="list-style-type: none"> <li>• Partnering</li> <li>• Supply chain management</li> <li>• Increase loyalty</li> <li>• Increase incentives and value added</li> <li>• Move purchase decision away from price</li> <li>• Cut put powerful intermediaries (go directly to customer)</li> </ul>
Reducing the Threat of New Entrants	Reducing the Threat of Substitutes
<ul style="list-style-type: none"> <li>• Increase minimum efficient scales of operations</li> <li>• Create a marketing / brand image (loyalty as a barrier)</li> <li>• Patents, protection of intellectual property</li> <li>• Alliances with linked products / services</li> <li>• Tie up with suppliers</li> <li>• Tie up with distributors</li> <li>• Retaliation tactics</li> </ul>	<ul style="list-style-type: none"> <li>• Legal actions</li> <li>• Increase switching costs</li> <li>• Alliances</li> <li>• Customer surveys to learn about their preferences</li> <li>• Enter substitute market and influence from within</li> <li>• Accentuate differences (real or perceived)</li> </ul>
Reducing the Competitive Rivalry between Existing Players	
<ul style="list-style-type: none"> <li>• Avoid price competition</li> <li>• Differentiate your product</li> <li>• Buy out competition</li> <li>• Reduce industry over-capacity</li> <li>• Focus on different segments</li> <li>• Communicate with competitors</li> </ul>	

## 6th Force: Government

Comments have been made that another Force needs to be added to Michael Porter's 5 Forces. A 6<sup>th</sup> Force would cover external Stakeholders such as Government. Government needs to be included in this Workshop as legislation can have a big impact on some industries, such as the alcohol and tobacco industries.

Both changes to existing laws and new legislation can impact a company. The impact could be internal to one country only or, in the case of the EU, could affect a whole region.

## Identify Key Business Drivers

Gathering and analysing information about the customer and their industry will help you to identify the Key Business Drivers for the organisation. That is, what the key market forces are that the company is having to respond to.

Below is an example of business drivers for a tobacco company.

Business Drivers	Why?
Taxation	Government imposed tax on tobacco, drives up prices, reduces consumption.
Brand Image	Kent up 14%                      Pall Mall up 47% Dunhill up 12%                  Competition market share up Lucky Strike down 7%
Competition	Philip Morris and Japan Tobacco. 4 companies control 70% of world market.
Changing Trends	Developing markets future growth.
Smuggling	4.1 billion cigarettes confiscated in Europe alone. Tax up, smuggling up. EU and governments reliant on tax and say to tobacco companies that it's their own problem.
Counterfeit	How to deal with counterfeit is a big issue as impacts on consistent product quality. Brand issue. Tax up, counterfeit up.
Litigation	Health litigation issues. Real threat of compensation claims up. Move out of developed countries. Up in developing countries.
Government & EU Regulations	Legislation banning smoking in public places.

## Identify Strategic Initiatives

Once you have identified the key business drivers for your customer, you can move on to identify their strategic initiatives. These can be initiatives that you know the customer is taking or can be initiatives that you think they should take.

Look at each of the Key Business Drivers and try to identify one or more initiatives for each.

Think through what you have read about the company and what you know they are doing. What projects are they currently undertaking? Do you have any inside information?

Sometimes a company's strategic initiatives are published or can be found on the internet. For example, in the annual report, presentations given by senior executives. These may be published either on the company's website or on a site belonging to another organisation. If you spend a few minutes searching, you can sometimes find some very valuable information.

Business Drivers & Strategic Initiatives			
Business Driver	Why?	Strategic Initiatives being or should be undertaken	Initiative owner Who cares?

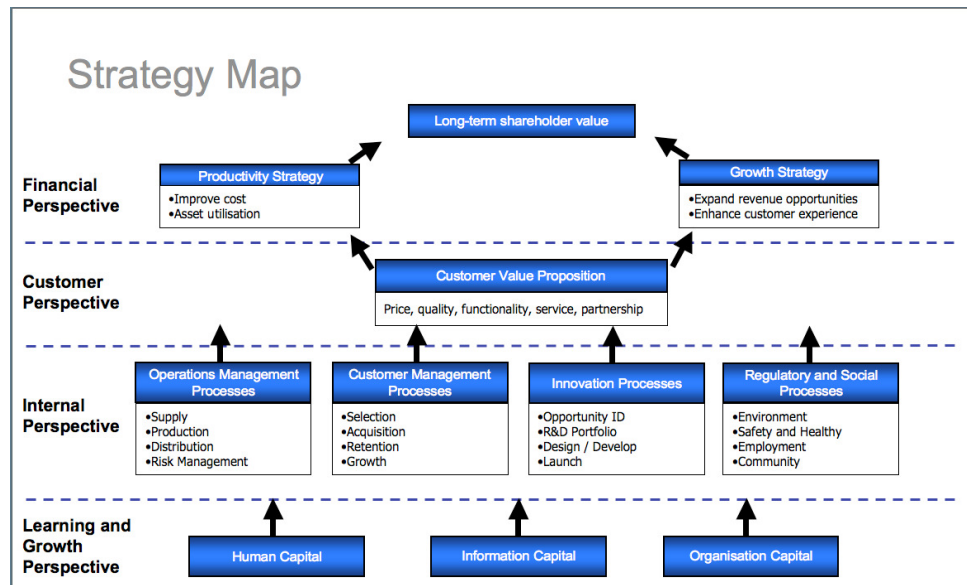
© Consalia Ltd

## Identify Specific Projects

Another angle we can use for understanding the customer is to look at the projects they are undertaking.

We can consider projects from the perspective of a Strategy Map. Strategy Maps are now in common usage in organisations so your customer may already be using one. Strategy Maps were first introduced and published in 2000 by Prof Robert Kaplan and David Norton of Harvard Business School.

A Strategy Map is a one page diagram which summarises the strategic initiatives and objectives for an organisation. They focus on an organisation from four different perspectives.



### 1. Financial Perspective

The Financial Perspective should answer the question, “to financially sustain our mission, what must we focus on?” It describes the tangible outcomes of the organisation’s strategy in traditional financial terms. Measures include ROI, shareholder value, profitability, revenue growth, cost per unit, etc.

There are two basic levers for financial strategies:

- 1) Increasing productivity.
- 2) Growing revenues.

## **2. Customer Perspective**

The Customer Perspective defines the Value Proposition for targeted customers. It defines how the organisation will differentiate itself from the competition – to attract and retain customers.

The Customer Perspective provides the context for how intangible assets, such as human resources and IT, create value. If customers value consistent quality and timely delivery, then the skills, systems, and processes that produce and deliver quality products and services are highly valuable to the organisation. If the customers value innovation and high performance, then the skills, systems and processes that create new products and services with superior functionality take on high value.

## **3. Internal Perspective**

The Internal Perspective identifies the critical few processes that are expected to have the greatest impact on the organisation's strategy. For example, in order to develop high performance, innovative products for its customers, one organisation may increase its internal R&D investments and re-engineer its product development processes. Another organisation may choose to develop new products through joint ventures.

The Internal Perspective answers the question, "to satisfy our customers, at which operational processes must we excel?"

## **4. Learning & Growth Perspective**

The Learning & Growth Perspective identifies the intangible assets that are most important to the strategy.

The objectives in this perspective identify what is required to support the value-creating internal processes, in terms of:

1. Which jobs (human capital)?
2. Which systems (information capital)?
3. What kind of climate (organisational capital)?

This perspective answers the question, "how will we sustain our ability to change and improve?"

## 5. Creative Thinking Solutions

This is where you try to align what your company has with the customer's strategies. Look at what you can offer the customer that will help them to achieve in the areas they care about.

Do this by completing a Creative Thinking exercise. Draw the three boxes and brainstorm points for each of the three questions.

<b>My Company</b>	<b>Customer</b>	<b>Customer's Customer</b>
<b>What do we have that could impact on areas they care about?</b>	<b>What value do they seek for themselves?</b>	<b>What value do they seek for their customers?</b>
<ul style="list-style-type: none"> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> </ul>

Always start with the second box, and do the "My Company" box last. Remember that you may have more than three boxes depending on the supply chain. For example, there may be a distributor before the final customer.

At the end of this exercise, you should have some ideas for what you could offer the customer – things that would be of value for them and in areas that they care about. That is, areas that would positively impact their business and make them more competitive.



Consider the following: What do you have? View what you have as assets.

**Tangible Assets**

Products

Services

**Intangible Assets**

Expertise

Branding

Client base

Partners

Competitive intelligence

Research & development

Industry knowledge.

## Win Themes

Once all the ideas for possible solutions have been brainstormed, the ideas can be organised into “Win Themes”.

Group together those ideas that are around a similar theme. Win Themes should be limited to no more than six.

**Example:**

The win themes could be:

1. Innovation
2. Geographic Footprint
3. Harmonisation
4. Lean Manufacturing
5. Agility.

Once the Win Themes have been determined, each idea can be slotted under the relevant theme.

## Customer Authority Level

At this point it is a good idea to ask yourself the question, “Does the person I am dealing with in the customer’s organisation, have the authority to make decisions about the things I am thinking of proposing?”

Problems can arise when you put a lot of work into an idea and then your contact either doesn’t have the authority, or doesn’t really understand what it is that you are proposing. It is better to identify these situations sooner rather than later.

You may need to re-think your approach with the organisation and try to establish new and more appropriate contacts.

## Solution Development Matrix & Value Map

The next step is to determine which of all the ideas brainstormed have merit. This is done using a Solution Development Matrix. The matrix helps determine the feasibility of each idea, the value to the customer, and the value to your company.

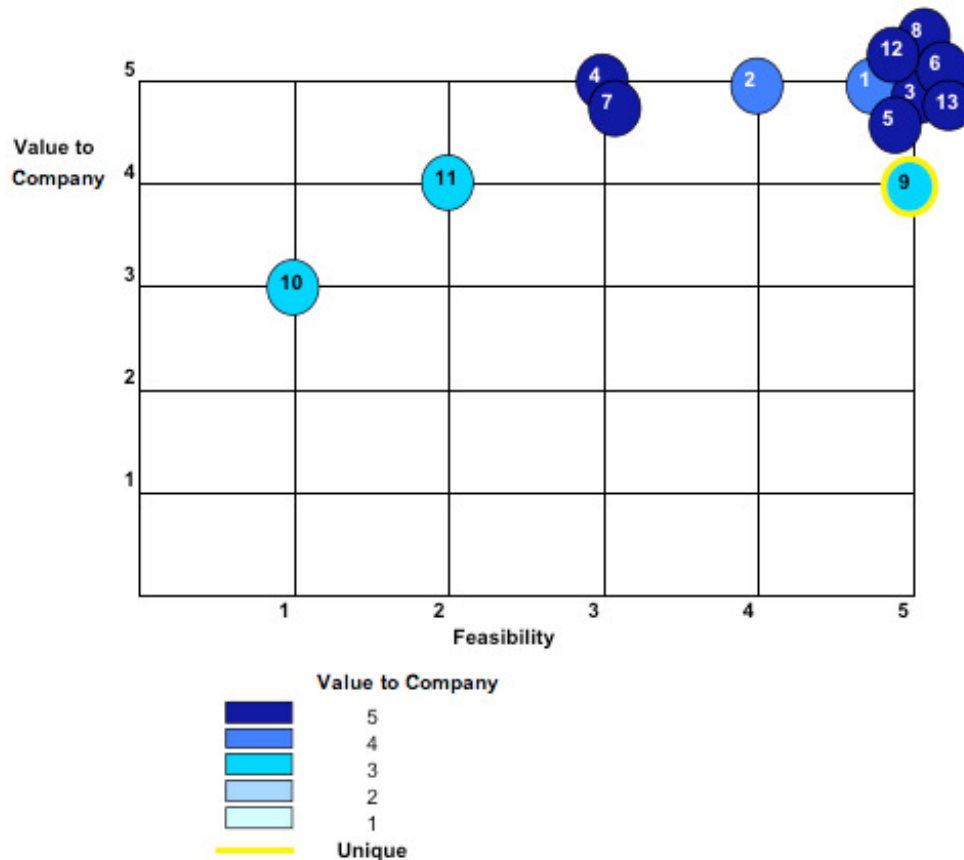
### Solution Development Matrix: One Organisation

1. One Organisation								
Solution Idea	Feasibility	x	Value to Cust.	+	Value to You	Score	Y/N	Unique
Standard Solution with local tailorability, SLAs, commitments	5	x	5	+	4	29		
End to End Management	4	x	5	+	4	24		
Single point of control/contract/governance	5	x	5	+	5	30		
Process integration ITSM - Top Down	3	x	5	+	5	20		
Standard Catalogue of Services	5	x	5	+	5	30		
Consistency of Service	5	x	5	+	5	30		
Leverage information across estate/knowledge base	3	x	5	+	5	20		
Standard reporting	5	x	5	+	5	30		
Compare performance across geographies/branches	5	x	4	+	3	23		as cust
External partner agreement	1	x	3	+	3	6		
Leverage support where we have no resources, e.g. onsite support - Service Provider	2	x	4	+	3	11		
Country in a box	5	x	5	+	5	30		
Candidate Support - service desk staffed by customer for prof. services	5	x	5	+	5	30		

## Value Map: One Organisation

The data from the Solution Development Matrices can be given visual representation by plotting them on a Value Map. The Value Maps may also help when sharing the ideas with those who did not attend the Workshop.

The Value Maps are normally developed after the Workshop but they are provided here to illustrate the relationship between the Matrix and the Value Map.



### Solution Matrix Ideas

- 1 Standard solution with local tailorability, SLAs, commitments
- 2 End to End Management
- 3 Single point of control/contract/governance
- 4 Process integration ITSM - Top Down
- 5 Standard catalogue of services
- 6 Consistency of service
- 7 Leverage information across estate/knowledge base
- 8 Standard reporting
- 9 Compare performance across geographies/branches
- 10 External Partner Agreement
- 11 Leverage support where we have no resources e.g. onsite support – service provider
- 12 Country in a box
- 13 Candidate Support – service desk staffed by customer for professional services

## 6. Competitor Analysis

At this stage you are getting close to creating a Value Proposition Statement. But before doing that, you need to check your ideas against your opposition. Check whether you can identify any further areas where you could gain a competitive edge.

First identify your competitors. Who are they? Who currently has the contract?

For each of your competitors think about each of the following areas.

<b>a) What are the competitor's chief advantages?</b>	For example: <ul style="list-style-type: none"> <li>• Already has a supplier relationship with the client.</li> <li>• Excellent brand image</li> </ul>
<b>b) What do they need now that cannot easily be obtained from this competitor?</b>	For example: <ul style="list-style-type: none"> <li>• Compatibility with existing technology.</li> <li>• Is there a specialty area that is not included in the standard services provided by the competitor.</li> </ul>
<b>c) What would it take to persuade the client to buy from you what they buy from this competitor?</b>	For example: <ul style="list-style-type: none"> <li>• More offices providing support in local areas.</li> <li>• Is there an area of added value not considered by the competitor?</li> <li>• Pricing.</li> </ul>
<b>d) In what areas of the client's organisation is such a change likely to happen?</b>	For example: <ul style="list-style-type: none"> <li>• IT department.</li> <li>• Marketing Department.</li> <li>• Executive Committee.</li> </ul>

### Think about:

- What advantages do you have over competitors that could be emphasised in the proposal?
- Does the competitor have any weaknesses against which your strengths could be emphasised?

## 7. Value Propositions

A Value Proposition is a concise summary statement of what you are offering. It should tell your customer why they should buy from you.

The Executive Summary will incorporate such statements.

When you write the Executive Summary, write statements that will grab the customer's attention and prompt them to consider the value they will get – not just what it will cost.

### **Executive Summary: Tangible Solutions**

- Clear and concise statement.
- Provide tangible results, e.g. decreased costs, increased revenues, decreased employee turnover, faster time to market.
- Quantifiable wherever possible, e.g. numbers, percentages.

### **Executive Summary: Intangible Solutions**

- Clear and concise statement.
- Attention grabbing.
- Meaningful.
- If the statement could apply to any company, then it needs to be re-written.

## Prove It

It is all very well to make statements regarding solutions you can provide for the customer – but how does the customer know that you can actually deliver?

It is important to include in the proposal any evidence you have of when your organisation has done this sort of thing before.

- What did you deliver?
- What were the results?

These examples should be quantifiable where possible. This may not be appropriate for the Executive Summary but should certainly be included in the body of the proposal.

## Validation

Once you have a Value Proposition and have identified how you can prove it, there is one more thing you should consider before putting the statement into the proposal to the client. ,How do you know that you have hit the right mark with the Value Proposition? Is what you are offering something the customer would be interested in?

If possible, run the idea past the customer. For example, “I’m not sure but I think we’ve got an idea on getting your brand through to your most profitable customers. I’d like to spend some time talking about the idea.”

It is a good idea to validate with the client that your ideas are actually of value to them – before submitting the proposal. Explain to the customer:

- a) The research you’ve done.
- b) That you have read their RPF – if it has already been issued.
- c) The ideas you have for what you could offer and how it would benefit their organisation.

## 8. Develop a Commercial Strategy

Finally, an Action Plan needs to be completed to ensure that none of the work is lost.

The Action Plan may include:

- Who will be responsible for taking forward each Win Theme (e.g. further development, inclusion in proposal if appropriate, writing of executive summary).
- Meetings required for further development of ideas.
- Meetings with relevant colleagues not present at the workshop.
- Meetings with the customer.
- Further research required.
- Who will type up and distribute the charts from the Workshop, including the Action Plan.
- Any items still outstanding on the “Information Needed” chart.

All the charts and ideas from the Winning Value Proposition process need to be typed up, organised and distributed to everyone who attended the workshop.

Exactly what the documentation looks like will vary from project to project. At most basic, the charts should be typed up, for example, the solution Development Matrices. Value Maps can also be produced. More detailed documentation can also be produced in whatever format best suits the project.



HOW CAN A 'CLIENT-CENTRIC VALUES'  
APPROACH TO SELLING  
LEAD TO THE 'CO-CREATION' OF A NEW  
GLOBAL SELLING MINDSET?

**ANNEX 8**  
**PIC INTERVIEW QUESTIONS**

PHILIP SQUIRE

Student Number: 2437626

March 2009

**PIC – Interview Questions**

Area	Question
Introduction	What is the business looking for today from its Profit Recovery service?
Relationships	How well do you think the PRG-Schultz ("PIC") team understands your business goals and objectives?
	How effective is the PIC team in developing the right relationships, i) across the different functions of the company, and ii) with suppliers?
	What would you like to change or have PIC change to improve relationships internally and/or with suppliers?
	What mindset are you looking for from your Profit Recovery provider?
Efficiency	How efficient are the audit processes?
	What would you like to change or have PIC change to improve those processes?
	How do you rate the, i) quality, and ii) frequency of reports on the recovery performance and activity of PIC?
	How important is the quality of claims to you? Is today's claim cancellation rate of <10% appropriate?
	Is there anything you would like to change in the contract to make it more relevant to the business?
Innovation	How important is innovation in terms of i) the depth and breadth of claims ii) bringing new services?
	To what extent are you familiar with the range of services provided by PIC?
	What would influence you to use PIC, another supplier, or do an activity yourself?
	Does the audit contribute to the improvement of your internal processes?
	What would you like to change so that the audit can contribute more to the improvement of your processes?

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Area	Question
Financial	What importance do you attribute to the recoveries generated by the audit?
	From a cash flow perspective, what importance do you attribute to the timing of recoveries?
	To what extent are you satisfied with the financial performance of the audit team (PIC and overall)?
	What performance indicators around Profit Recovery are important to you?
	What would you like to change or have PIC change to improve the financial performance of the audit?
Wrap-up	If you could change one thing about the Profit Recovery service, what would it be?

HOW CAN A 'CLIENT-CENTRIC VALUES'  
APPROACH TO SELLING  
LEAD TO THE 'CO-CREATION' OF A NEW  
GLOBAL SELLING MINDSET?

**ANNEX 9**

**REVIEW OF SALES PERFORMANCE OF  
MOBILE PHONE STORES IN SINGAPORE**

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## Review of Sales Performance of Mobile Phone Stores in Singapore

		Client-Centricity	Audacity	Client-Centricity	Client-Centricity / Proactive-Creativity	Proactive-Creativity / Tactful Audacity	Tactful Audacity		
	Location	Time to Serve	Introduction	Clarify Requirements	Answer Questions	Present Information Clearly	Close	Attitudes/Comments	Overall Result
1	Starhub	4	3	4	5	5	3	Quick response, Steven was good, Chery was poor, showed real phone, wanted to find answer to question re torch, provided details, smiled, enthusiastic, checked out competition, tenacity, advised to wait until April.	24
2	M1 Exclusive	5	5	4	4	4	1	Quick approach Jessy, high energy, hello how I help, humble, advised on closing account before new phone, did a very good comparison, good eye contact, genuine interest, presented very clearly, checked my understanding, no effort to close (did not ask for phone), could have asked if happy with phone, missed opportunity.	23
3	M1 Tampines	4	3	2	5	5	2	Waved at, showed me the actual phone, Gary was exiting store stopped, very spontaneous, customer centric, good competitor knowledge though not deep, knows the others plans.	21
4	M1	5	3	1	4	4	3	Immediate welcome, smile, friendly, listened, ID required no explanation as to why.	20
5	M1	3	3	1	4	4	1	Quick approach, showed me actual phone, simple information, store layout OK, smiled then personally showed me the plan, only one phone in pay as you go plan, looked put out when I asked to touch the phone but OK when he returned.	16
6	Hello Tampines	5	2	2	3	2	1	Sharon, receptionist, no smile bit frustrated, roving sales rep, did not paraphrase questions, not clear what Corrinne wanted, lacked product knowledge, saw a picture only, 800 sing dollar phone, no close, no good bye. No energy. Highly organised ticketing system, big space does not feel spacious.	15

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7	Hello Takashimaya	3	3	1	2	2	1	Genuine and warm greeting, felt Rather rushed in this store, no real engagement, did not like dealing with person through hole in the wall, no phone to touch, only box to look at.	12
8	Starhub	3	2	1	3	2	1	Confused with the choice of two cards, one of which was not relevant.	12
9	Starhub	1	1	3	2	4	1	Only one person waited 10 minutes, smile, thanks for waiting no high, confused message per second call, trainee lady, sales rep behind mafias, who is the blob!, mio?, conversation with the blob, tried hard, told to go to counter 6, very arrogant, inconsistency with Starhub, no close, nodded, sales manager did not smile, did not show impatience.	12
10	Singlet Exclusive 01	1	1	1	3	4	1	If you don't see me that is good, pretend I am busy, good product knowledge, quite sound, does not do a deep dive on my needs, not arrogant.	11
11	Singlet Exclusive Retailer 02	1	1	2	2	1	1	Sitting behind counter, greeting was 'yes', too busy, aura not good, I said thanks, he said yes. I have done a favour for you, stressed not interested, only show dummy, only one at counter, poor service the worst.	8
12	Hello Com Center	1	1	1	1	1	1	No Questions, Little Product Knowledge - brought up details on screen and got me to read them, only friendly when I was leaving, no phone to touch, inconsistent price provided compared to Takashimaya, went to wrong counter, poor signage.	6
13	Singlet Samsung	1	1	1	1	1	1	Just focussed on phones, no warmth, not personable, not felt like a customer.	6
14	Hello Centre Point							Closed down but details still on web site.	0